The rise and fall of Sierra On-Line, as told by the ultimate insider

NOT ALL FAIRY TALES HAVE HAPPY ENDINGS

The Rise and Fall of Sierra On-Line

By Ken Williams

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SIERRA ON-LINE TIMELINE

1979 — Mystery House

1982 — Videogame Crash

1983 — IBM PC Jr Launch

1988 — Sierra Goes Public

1989 — The Sierra Network

1993 — Sierra Moves To Seattle

1996 — Sierra Acquired by CUC

Davidsons resign

1997

1997

Ken resigns

CUC Fraud Discovered

1998

Kings Quest 8
Game over for Roberta

1998

Havas acquires CUC Software

1999

Sierra Major Layoffs

1999

CUC Management Sentenced

2007

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Prologue

I have three great loves in life: Roberta, computers and boats. That said, this is not a book about any of those things, although the first two of those are important to the story.

My hope in writing this book was that through giving others a front-row look at my journey through life, the mistakes I've made and the successes Roberta and I have had, that there might be some piece of it that helps others.

Many of you reading this book may be hoping that this is the ultimate behind-the-scenes tell-all look at Sierra On-Line, the company Roberta and I founded and ran for eighteen years. That's both true and untrue. This is Sierra's rise and fall as seen through my eyes. There are no interviews with the game designers. There are very few details about any of the games. There are no game hints. Instead, what you will find are the secrets behind what made Sierra so special. You'll get a look at the strategies that infused Sierra with a specialness so profound that someone like you might pick up this book and invest time in reading it twenty-five years after Sierra's untimely demise. You'll also find that it has a lot of personal background on Roberta and me. As you will see, much of what Sierra was flowed directly from Roberta's and my personality. You can't really understand Sierra without a deep dive into how Roberta and I think.

I have thought for years about writing a book about the Sierra experience. My hope was that someone else would write a book and save me the trouble. There has, in fact, been a huge amount written, but I now realize that there are elements of the story that only I can tell. It's too good a story to leave untold, and there is much to be learned from it. At a minimum, I can guarantee that it is an entertaining story. Whether or not I was able to get it down on paper: Well … you'll need to be the judge of that.

Ken Williams, July 2020

(1979) Happy Endings

Chapter 1:

> *"We believe that the boat is unsinkable"*
>
> **Philip Franklin, Vice-President of White Star Line, builders of the Titanic Cruise Ship**

In 1979 my wife, Roberta, designed a computer game that I programmed. That game became the basis of Sierra On-Line, a company we raised from its infancy over a sixteen-year period. By 1996, Sierra was recognized worldwide as a leader in consumer software with one thousand employees producing hit products in education, productivity and entertainment software. From a start on our kitchen table, Roberta and I had built Sierra into a company that would be acquired for nearly one billion dollars.

Sadly, this fairy-tale story does not have a fairy-tale ending.

Instead, the story ends with corruption, lies, litigation, sadness, layoffs, bankruptcies, and prison.

They say that the best place to start a story is ….

…at the beginning.

So, here we go (drum roll, please)!

(1960-1970) Growing Up: The Younger Years

Chapter 2:

> ***"If you are born poor, it's not your mistake. But if you die poor, it's your mistake."***
>
> **Bill Gates**

I don't know the whole story, and don't care enough to research it, but apparently my heritage is nothing to brag about.

My only memories of my grandfather, on my dad's side, was of him dying. He was a scrawny little guy with a dark complexion and dark curly hair which didn't seem to gray. He dragged around an oxygen tank and would sit smoking, drinking whiskey, and spitting into a coffee can.

Making Moonshine

I've been told that he was a colorful character in his prime. He grew up in the hills of Kentucky, sold illegal moonshine and is alleged to have spent time in jail for murder. There is no part of me that wishes we could have spent more time together.

My dad's older brother was a chip off the old block. He also died of alcoholism.

Somehow, my dad came through what must have been a tough

childhood to be a good guy. He was nineteen when he married my mom, who was only sixteen at the time. My mom was young, but this was the back country of Kentucky almost seventy years ago.

My mom's family was certainly better than my dad's, but she also came from a broken home.

In the years following marriage my parents had four children, of which I was the oldest. My dad had trouble finding work and loaded the family into a car for a move to California, which at the time was rumored to have plenty of employment and a growing economy.

Dad found work as a TV and appliance repairman for the retailer Sears Roebuck and Co. It wasn't a great income, but they were able to purchase a small home in a lower-middle-class neighborhood in Pomona CA.

At a very early age I developed an interest in reading. One of my earliest memories was reading the book *Moby Dick*. Maybe that book started me on the path of being interested in the sea? I don't know. I was devouring full books at five years of age. It seems impossible, but that is my memory. I read every *Superman* comic. I read the complete series of books called *Hardy Boys*; 190 volumes of kids solving crimes. When those ran out I read a similar series called *Nancy Drew*. I was frequently busted by my mom for reading books, using a flashlight, under the covers late at night. It didn't slow me down.

We couldn't afford for me to own the books I was reading. As soon as I was old enough to ride a bike I started hanging out at the Pomona Public Library. I loved that library. Some of my fascination was the access to books, but it was also a place to hide from my home.

My mom and I didn't get along. I have no recollection of what we fought about, but I know that we did and that I was always happier when away from home. I remember my dad as working all the time, returning only late at night. Looking back on it, I suspect his relationship with my mom wasn't much better than my own and, like me, he sought refuge elsewhere.

Incredibly, I have very few memories of my childhood. A psychologist might be able to say if I've blocked them out somehow. I have no idea, but I don't really want them back. I have only brief snippets of memory before turning eighteen.

Most of my childhood memories are not of playing. They are of time spent at the library, or at the nearby courthouse. In my early teens I

started attending criminal trials. I loved entering courtrooms and sitting quietly in the back watching someone be tried for some offense against society. Murder trials were my favorite. I dreamed of being a lawyer someday. No one ever challenged me but I'm sure everyone wondered what a ten-year-old kid was doing wandering the halls of a courthouse, or why his parents weren't watching him. I was what you might call a "strange kid."

I do recall that I was a smart kid. However, this did not translate to good grades. I would quickly read through any textbook and decide I knew everything and then spend class time bored.

It wasn't just my inattention in class that made me feel out of sync with other kids. I was born in late October and for some reason that allowed me to start Kindergarten at age four. This made me a year younger than most of my peers.

Perhaps it was another manifestation of not wanting to be home, but I was a "joiner" in school. I joined everything; the track team, the chess club, the marching band, the studio band, summer school, etc. It didn't matter what it was; I wanted to do it.

Ken Williams in 1971

I supplemented all my at-school activities with a paper route and by selling newspapers door to door in the evenings. I frequently sold more papers than anyone else and won innumerable trips to Disneyland. Somehow, despite my mediocre grades I racked up enough school time that at the end of my junior year, at just sixteen years of age, I was "graduated" from high school.

This was perfectly fine with me. Somewhere along the way I had developed an aggressive personality. All I could think about was getting into college, getting a job, and becoming rich. Note that I said "rich" not "employed" or "successful." Amongst the few memories I

have from that time is the constant thought of wanting to live a different life than the one I grew up in. I read books about business executives who owned yachts and jets, and who hung out with beautiful models in fancy mansions.

I knew that was my future and I couldn't wait to claim it.

(1971) Growing Up: Ken Goes to College

Chapter 3:

> ***"Fat, Drunk, And Stupid Is No Way To Go Through Life, Son."***

Dean Wormer to John Belushi in the film Animal House

No child should enter college at sixteen years of age, but that didn't stop me. I turned seventeen a month after starting college and that didn't work much better. Neither my chronological age nor maturity were doing me any favors when I started college.

I was cocky, and it never occurred to me that I might not know everything. Physics was my major, with a minor in over confidence. My goal was to graduate quickly, so I immediately signed up for the advanced level classes.

My aggressive attempt at college was paired with an equally aggressive attempt at earning money. My work as a paperboy had taught me to sell newspaper subscriptions. Each evening I would set out with a group of ten other young men. A van would drop us off on a corner and we'd each go door to door peddling subscriptions. Most doors we would knock on already had a subscription to the paper. But, at least a couple times per block the door would be answered by someone who didn't really want to have a newspaper delivered to their door. This would start me on my sales pitch.

Ken selling papers door to door

If you want to win in life, find something to sell, and sell it. Learn to accept and even cherish rejection. Selling is a polite way of describing the humiliation of trying to talk someone into something that they probably don't need or want and then trying to alter your pitch on the fly as your target plots how to slam the door in your face. Each time the door was slammed I'd learn a little about what I said wrong and what the turnoffs were in my sales pitch. I learned, one slammed door at a time, how to avoid falling into traps that would allow my potential customer to close the door. I had lines to use when they said they were rarely home, for when they said they didn't like reading the paper, for when they said they were in the middle of cooking dinner. Most doors were closed almost immediately, either because they already took the newspaper or because they had no interest. I had only seconds to size up a person, engage them, charm them, and monetize them.

The newspaper had never seen anyone like me. I was a selling machine. I loved selling, and I especially loved making money. I claimed every sales award and couldn't stop selling.

I was studying physics at college, but that isn't how I learned to make a living. It was those nights hustling papers door to door that prepared me for life in the fast lane. In real life I'm incredibly boring and happiest when talking to no one. Most people are surprised when they meet me. Where's the guy who writes all these books, or makes the games, or is the life of the party? The salesman we've heard about? All they see is frumpy old me, and that's because they are meeting the me I am most of the time. But, give me a product to sell and the switch

turns on. And, I do what salespeople do. I sell and I make money.

I mention what I'm like off the playing field because it is relevant. I wasn't born with sales skills and I'm not naturally charming or persuasive. My ability to sell came through hard work and long hours. I earned my ability one door at a time, and it was an unwillingness to fail that caused me to go to that next door and not give up.

Anyway…

My first year in college was a disaster. It was a wake-up call. I was hustling papers by night and had been promoted to running and training a group of hungry kids who were knocking on doors to sell papers. I had joined a fraternity. I had signed up for courses that I'd thought would be easy but weren't.

And then, I discovered cars and girls.

I was seventeen when I joined the college fraternity. I'm sure there are fraternities which are an essential part of obtaining a college education. However, the education I received at the frat house had more to do with alcohol and girls than it did books and studies.

And, there were even more distractions…

Mike, my boss at the newspaper drove junk cars in a figure 8 race at a local racetrack. During the week he'd patch together a crappy car, and then on Saturday nights he would race the car on a track configured to ensure there would be collisions.

I became Mike's pit crew, which gave me an interest in repairing cars.

Between selling, partying, pit crewing and on rare occasions studying, I was constantly working on whatever car I owned at the time. It's inconceivable to me now, but I would think nothing of rebuilding a carburetor, swapping a transmission or bleeding brake lines. These days I'm more a software guy than a hardware guy. But not back then. Engine repair came easy to me and I had no fear of taking things apart. I also had a limited supply of common sense and money. My car was constantly under repair and I was constantly broke. Such was the life of my seventeen-year-old self.

Which brings me to Roberta…

(1971) Growing up: Ken Meets a Girl

Chapter 4:

> ***"You know that look that women get when they want to have sex? Me neither."***
>
> **Steve Martin**

I am an impatient person. If I want something, I want it now. When ordering anything on the internet, I automatically seek those things that can be shipped the fastest. This attribute of mine tends to make those around me crazy. This impatience exhibits itself in both good and bad ways. Sometimes very good, and sometimes very bad.

When I met Roberta, she had just graduated from high school. Like me, she was going through the same "having fun phase" that seems to afflict young college students. I was attending Cal Poly Pomona, a four-year university, and she was attending nearby Citrus junior college.

Roberta Heuer, whose name would soon change

My relationship with Roberta was love at first sight, or to state it more accurately it was lust at first sight. I was seventeen and starting college. She was eighteen and dating a friend of mine while also starting college. We double-dated and I was stuck admiring her from the backseat while my friend drove us to a drive-in theater for a make-out session. I don't remember much about that double-date other than guzzling an entire beer in one massive gulp, proving I could pee farther than my friend, and that Roberta wore pink underwear. College kids are not always paragons of maturity.

These days, I joke that I am Roberta's boy toy, because she is a year older than I am, but at the time it wasn't funny. When we first met, Roberta assumed that I was older than her. I was in college and had a

car; all the trappings of someone who had achieved the ripe old age of nineteen or even twenty. However, I was only seventeen. Later, when Roberta found my true age it devastated her and almost broke us up.

When my friend who had been dating Roberta moved on to his next pursuit I asked for Roberta's phone number. When I called her she had no recollection of our ever having met. It took my best sales skills just to keep her on the phone. Once she remembered who I was, she was unimpressed. She was a hot young Rapunzel, and I was no Prince Charming. I was a tall skinny kid from the south side of town, whereas not only was Roberta beautiful, she lived in the fancy part of town, on a hillside, in a house with a pool!

During our conversation I slowly moved Roberta from saying, "Ken who?" to "I kind of remember you," to "No. I do not want to meet you," to "OK. We can meet." It was one of my tougher sales calls and my foot was bruised from the number of times she tried to slam the door, but ultimately, she agreed to a date.

Roberta at the time was dating guys who were rough around the edges. I was also doing dumb things, but some of my immaturity was layered onto a person who deep down was the perfect definition of a nerd. To try to give the appearance of being cool, I would roll up a pack of cigarettes in my short sleeve shirts. I only tried to smoke a cigarette a couple times, but had convinced myself that this was something that would impress women. Roberta is very good at seeing past outer façades. You can dress a loser up in a suit, or a winner in rags, and two sentences into a conversation she'll know who is who. This magic ability of hers to size people up within minutes was to become very important later in life and is what really stopped her hanging up the phone when I made that first call.

Roberta's dad, John, had high aspirations for her. From birth he wanted her to succeed in life. He had decided she should be an optometrist! Neither of us know how John arrived at the conclusion that optometry was the best possible career or her destiny.

Roberta was (and is) petite, and at the time her dresses were even shorter. Her dad was worried about her. She had taken up smoking and was dating guys of dubious character. When I arrived to pick up her for our first date her dad was waiting at the door and, while waiting for her to get ready, he gave me a grilling. I talked about being in college, that I was majoring in Physics and my quest for future success. I shared with him that I was planning to retire by the time I was thirty and expected to become rich and famous.

Did I mention that I know how to sell?

Being a starving seventeen-year-old, our first date was not particularly amazing. We went to a local Mexican restaurant and talked for hours. A couple weeks and a handful of dates later, I informed Roberta that we were to be married. She thought I was insane or joking, but that's only because she didn't know me. That was about to change.

Her dad became my strongest ally, and saw in me a chance to rescue his errant daughter. He pushed Roberta from his end, and threw roadblocks in the way of other suitors.

It took a few dates to sell Roberta on the idea of marriage but closing a sale is what I do best.

We had to wait until I turned eighteen to get married. Roberta was working as a 'typist clerk' for the County of Los Angeles Welfare Department, in Pomona CA. Her dad, who worked for the County of Los Angeles Agriculture Department helped her get the job. She was making a starvation salary but was living at home, with no bills, and able to save her paycheck each month.

During this time I convinced Roberta to buy a van. I wanted it so that I could transport the kids that I was taking around each evening to sell papers. Understandably, her parents were not excited when they discovered the van had a mattress in the back.

How could life get better? I had a hot fiancée. She had a van. I had a career transporting kids who sold newspapers. On weekends I was fixing and racing cars. I was going to college. I still wasn't rich, but things were looking up!

Roberta and I were married five days after I turned eighteen. Roberta had achieved the advanced age of nineteen (but, I didn't hold it against her).

Ken and Roberta the day after our wedding

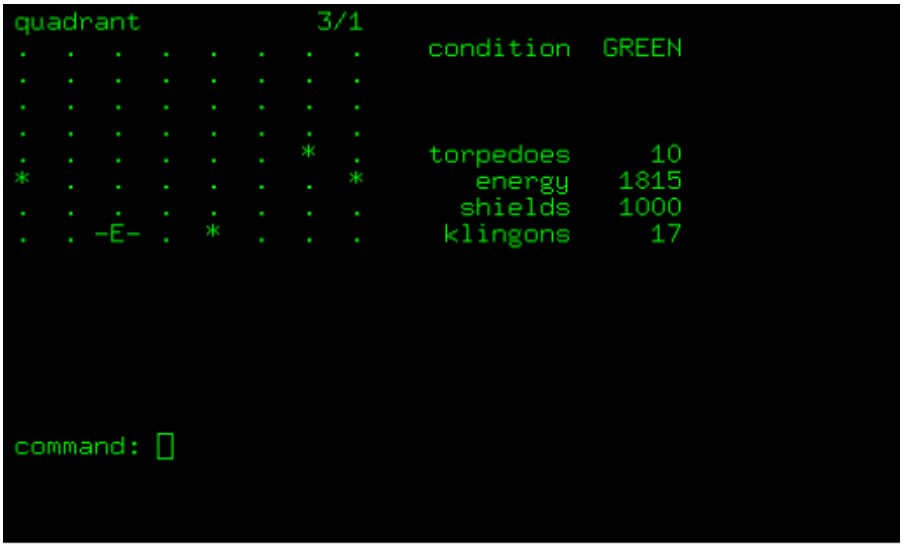
Chapter 5: (1972-1973) Growing Up: Ken Gets an Education

> ***"…I spent three days a week for 10 years educating myself in the public library, and it's better than college. People should educate themselves - you can get a complete education for no money…"***
>
> **Ray Bradbury, author**

During my final year of high school our class took a field trip to UCLA (a Los Angeles-based university). The only part of the trip I remember is seeing my first computer.

It's unimaginable now, because computers are so integral to all of our lives, but computers are a fairly recent phenomenon. At that time, I had never seen a computer. The whole world of modern computer technology was just spinning up. It would be years later, during my first year of college, before I would see my first hand-held calculator.

I have no idea if what I saw at UCLA was a computer, or if it was just a keyboard and monitor attached to some far away computer. All I remember is walking up to the keyboard and playing my first computer game. It was a text based game based on the TV show *Star Trek*.



Star Trek Game

> ***"Star Trek is a text-based strategy video game based on the Star Trek television series in which the player, controlling the USS Enterprise starship, flies through the galaxy and hunts down Klingon warships within a time limit. The game starts with a short text description of the mission before allowing the player to enter commands. Each game starts with a different number of Klingons, friendly starbases, and stars spread throughout the galaxy. The galaxy is depicted as an 8-by-8 grid of "quadrants." Each quadrant is further divided into an 8-by-8 grid of "sectors." The number of stars, Klingons, and starbases in any one quadrant is set at the start of the game, but their exact position changes each time the player enters that quadrant."***
>
> **Wikipedia**
> **https://en.wikipedia.org/wiki/**
> **Star_Trek_(1971_video_game)**

I was fascinated by the experience! I had no idea computers existed or how they worked. I just knew that it was the most exciting thing I had ever seen. I can't say that it made me want to build software, because I wouldn't have known the word or the concept. I would have had no idea that computer programming was even a career, and it wasn't at the time.

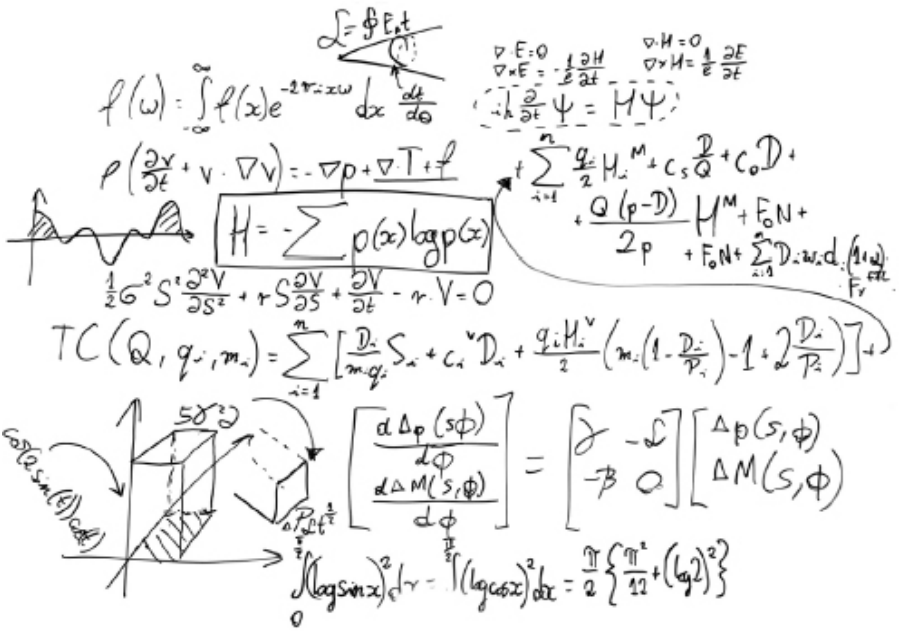
There were no computer majors in those days. Physics was selected because when I looked at the course list there seemed to be a lot of

computer courses for Physics majors.

My schedule was loaded up with physics classes, calculus classes and computer programming classes.

For the first time in my life I met a challenge I couldn't handle.

The calculus courses were beyond me. The classes in physics were fun but the advanced calculus courses involved solving differential equations. It isn't that I didn't study. I just didn't "get it."



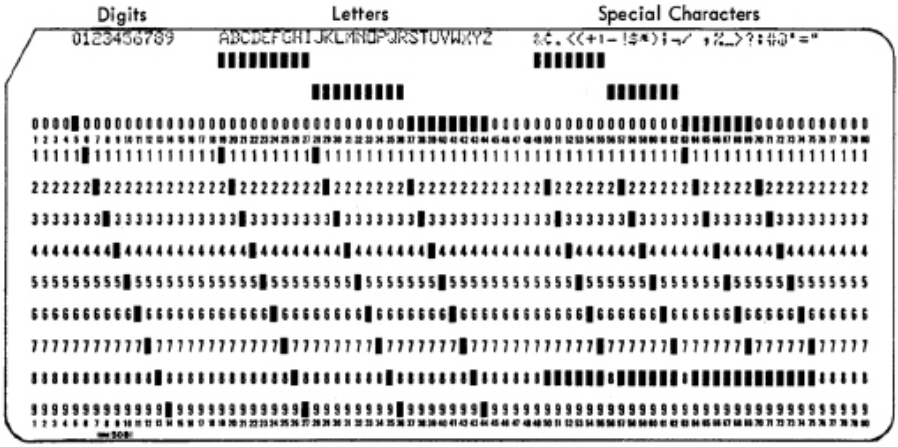
Ken's first major defeat: Calculus

There was only one college course at which I truly excelled, and that was computer programming.

Coding was different in those days. I never saw the computer I was coding on. Instead, there was a room with several keypunch machines, and there was a window where you could place your deck of cards for processing by some unseen computer operator. There was also a basket into which any compiler errors or printout from your computer program, if it ran, would be placed.

Keypunch Machine

To write code I needed to sit down at the keyboard and type out the computer program, one line at a time. Each line that I typed would fill one card.



Punch card (limited to 80 characters per card)

A computer program consisted of a stack of punched cards; sometimes hundreds of them. Once I wrote a program I'd need to drive to the college, type my program onto a deck of cards, submit my deck of cards to a "card reader" and then come back in a few hours to see if my program ran successfully.

I was working evenings in addition to going to school. Each evening, often many times an evening, Roberta and I would drive out to the college just to see if my program had successfully executed. I would look through the basket of computer printouts, hoping to find one with my name on it. Sometimes Roberta and I would sit for hours waiting for my program to be run, only to see that I had made some small error and would need to replace some card in the deck and submit the deck again, triggering another long wait.

Sound primitive? It was. Coding was a 24 hours-per-day project. In order to debug my program I had to look at the print out I'd get back, hours after feeding my card deck into a card reader. I had various card boxes for various programs. Often, I would submit my program and after waiting four hours and driving back to the school, I'd find that I accidentally mistyped some obscure piece of computer jargon. This would mean making a quick fix and resubmitting the card deck. It also would mean several hours lost. I didn't mind! This was the most fun I had ever had.

> ***A brief side note: Years later, working as a young software engineer at Bekins Moving and Storage, another programmer brought back my box of cards from the computer room, but no printout. "Where's my printout? Do I have a bug?," I asked. He answered, "Yes." and opened the box. Out crawled a cockroach. Programmer humor is not always funny to non-programmers.***

Along with marriage came bills and responsibility. At the time of our marriage, I had completed only one year of college.

Roberta was still working, but to say we struggled financially would be an understatement. When Roberta talks about that job it is with great disgust. This was decades prior to the evolution of the #metoo movement.

> ***"Mr. S[…], who was an oily fat 'older' man, probably in his forties or fifties, liked to have me climb up a ladder to file handfuls of folders. The ladder was positioned against a tall wall with shelves of folders all the way up to the ceiling. I was still wearing my 'short dresses or skirts' (as were most of the young ladies then!). So he would want me to climb the ladder to 'file the folders' in the 'top shelf' as he would stand at the bottom of the ladder and look up. He was always making comments of***

> ***sexual innuendo…"***

Roberta Williams

Within a few months of marriage, Roberta became pregnant with our son DJ. That was the straw that finally broke the camel's back. It was impossible for me to maintain multiple jobs and go to school full-time. In addition to running a crew that was selling papers door to door, and making pizzas at a local takeout place, I was working weekend nights cleaning up the mess left behind by cars at the local drive-in movie theater. This involved shoveling up dirty diapers, popcorn, and other items too gross to mention.

I had no choice but to quit school and seek a higher-paying full-time job. I quickly found a job sanding fiberglass in a factory. This meant wearing something resembling a space suit to protect myself from the fiberglass powder.

Nothing is duller than working on a factory production line. Not only was I bored, I was hot, sweaty and miserable inside the space suit. To keep myself sane, I started analyzing the processes and quickly came up with ideas to boost productivity. Within weeks, my section of the line was running at nearly double the pace. Instead of this meaning higher productivity it meant my group was stuck waiting for something to do while our output sat on the floor waiting for the next group on the production line to catch up with what we were feeding them. I went to my boss to ask if I could look at optimizing all of the line to reduce bottlenecks.

What my boss saw was a cocky eighteen-year-old kid who thought he knew everything, and who had created complaints from other groups. I explained that I was sure I could double the plant's output. My boss reacted by firing me. He said I was a square peg in a round hole and would be happier elsewhere. He was right.

The problem was that we were broke. I was an unemployed college dropout with a pregnant wife. What now?

I had fond memories of my time in college spent learning about computers. It seemed to me like computers might become a real industry someday, and maybe I could find a job where all I did was work with computers. That would be a dream!

History was changed when I saw an advertisement for a computer programming school which promised BIG MONEY in the computer industry.

The school wasn't cheap: Five thousand dollars! The good news was that I could qualify for a student loan with a government-backed bank loan and make payments of $47 per month. Payments wouldn't begin until a year after graduation. They would continue for many years, but if I could get one of those BIG MONEY jobs, it would be fine. The only catch was that I would need someone to co-sign for the loan. They would be on the hook if I didn't make the payments. My parents weren't able to co-sign, but Roberta's parents quickly said, "YES!"

Whereas to complete college I'd have needed another three years of going to school, Control Data Institute (CDI), promised to make me a computer programmer in just nine months.

It was too good to be true.

You never hear
anyone saying
it's rough making a living
in the computer business.
As a computer programmer, a man or woman with two years experience can earn as much as $8,000 to $10,000 a year.
The phenomenal growth of the computer field has created this kind of opportunity.
And Control Data Institute can help you prepare yourself for it. Even if you've had no special training since high school.
We're the educational division of Control Data Corporation—the third largest computer manufacturer in the world. We offer courses in both computer programming and computer technology. And you learn on the Institute's own major computer installation.
If you would like an information packet on computer careers and the courses we offer, or would like to arrange for an interview and free aptitude test, just call or write: Control Data Institute, 3717 Columbia Pike, Arlington, Virginia 22204.
Tel. (703) 521-3700, anytime day or night.
CONTROL DATA CORPORATION
CONTROL DATA INSTITUTE
Yes, please mail me complete information on the exciting careers open now in the computer field, and details on the courses you offer.
Name
Address
City
State
Zip
Phone
I am eligible for G.I. benefits.

> ***An excerpt from this ad: "As a computer programmer, a man or woman with two years' experience can earn as much as $8,000 to $10,000 a year"***

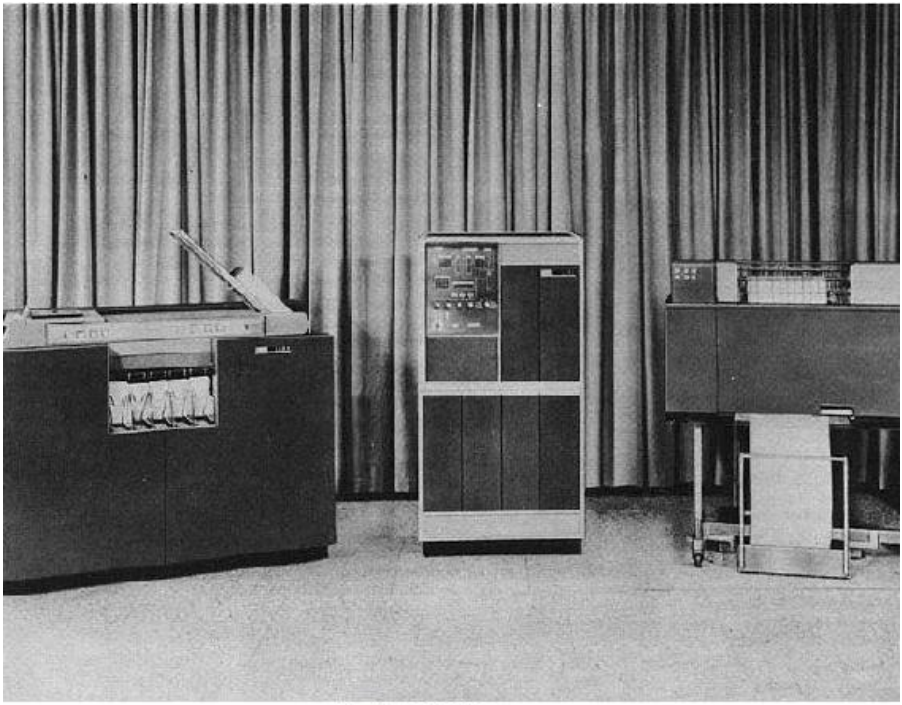
CDI exceeded all expectations. I have never understood why trade schools aren't far more accepted than they are. I dreamed of becoming a computer programmer and suddenly, I was in an environment surrounded by others with the same goal, a teacher focused on that

goal, and direct access to the hardware needed to attain the goal.

I still had to drive around the kids selling papers at night in order to pay the rent, and supplemented our income by stuffing advertisements into newspapers and delivering papers on weekends. But now, my days were spent learning about and using a computer! Life doesn't get much better.

The IBM 407 Accounting Machine

It was a good time to be learning computers because I was able to essentially see the industry being born. The school wanted to take the students through the evolution of computers and after some text book learning about things like binary numbers; we were asked to program one of the earliest computers, the IBM 407 accounting machine. Programming was done by plugging wires into holes on a circuit board!



The IBM 1401 Computer

We graduated from the 407 to a small mainframe computer; the IBM 1401. Programming was now more like what I had been doing in college with programs written using punched cards.

This was my first taste of “real programming” in that we were learning machine language programming. This meant working with the computer at an intimate level. Most computer operating systems and computer languages try to hide the hardware from the programmer. In most cases this is a good thing and allows the programmer to focus on writing their program without worrying too much about the hardware the program will run on. But for real fun, as a computer programmer, you need to get down to the little bits and bytes that are the guts of a computer.

The IBM System 3 computer

Image By I.B.M. Italia (costruttore/ produttore/ progettista)

Finally, towards the end of the course, we moved up to a “modern” (in 1973) computer; the IBM System 3. I learned a real computer programming language, RPG II.

School was nine months of pure heaven. I had a knack for computers and quickly separated myself from the rest of the class. I moved at a faster pace than others and would complete class projects in minutes that took other students hours. This gave me virtually unlimited time on the computers to write code.

Unlike college, I was now a hero. I had found something I had a natural talent for and graduated at the top of my class.

It was now time to get serious about finding a job.

Chapter 6: (1973-1979) The Days Before Sierra

> ***"The ladder of success is best climbed by stepping on the rungs of opportunity."***
>
> **Ayn Rand, Author**

Our son DJ was born in November of 1973, roughly corresponding to the time when I was graduating from Control Data Institute.

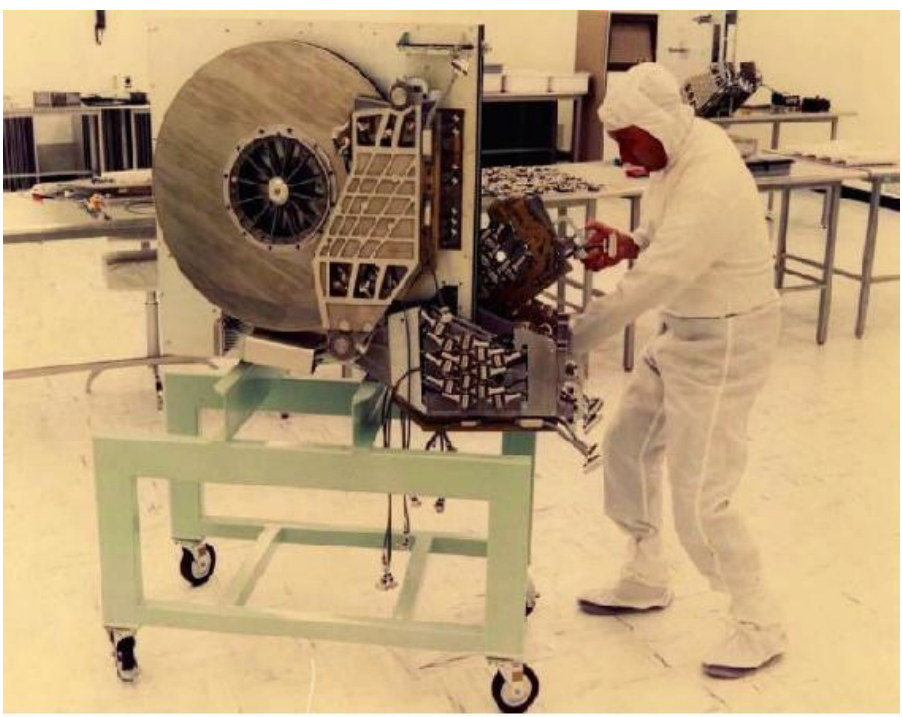
My first job out of trade school was as a computer operator. In those days, computers were giant beasts that filled entire rooms.

An IBM 360

These large computers generated enough heat that they had to be cooled by giant, noisy, air conditioning units which circulated air through the room via holes in the floor and ceiling panels. My first job in computers consisted of hanging tapes. Entire databases, such a customer list for a large corporation, were stored on magnetic tape. Sometimes there would be so much data that multiple tapes would be

required. My job would be to wait patiently for a light to blink, triggering me into action to load a new tape onto a tape drive. It wasn't very exciting, but I saw it as the first step into my new career.

We were living near Los Angeles at the time, and the computer industry was growing rapidly. From the day I started my first job, I sent out résumés seeking a better job. Not only did I want more money, I wanted my shot at being a computer programmer. Within ninety days I was offered a job at a computer manufacturer, Burroughs Corporation. I would have to start as a computer operator, but was promised they would move me into a job programming computers within a year. It was also a chance to work with disk drives instead of tape drives. Burroughs's disk drives were cuttingedge technology. They held an awe-inspiring 250 mb of data on a disk only about four feet in diameter! That is less capacity than even the dumbest of today's "smart" phones.



Early disk drives were huge, and yet held only 250mb
It would take two hundred of them to equal one blue ray dvd

That part of my life is a blur. Burroughs gave me my shot at software development within a couple months. As soon as I was able to put the words "computer programmer" onto a résumé, I was back in action looking for my next job.

In those days software jobs were not only easy to find, recruiters would call constantly with promises of a better job and more money. Within weeks of taking each software engineering job, I started looking for my next job. I remember needing to fudge how long I had been at each job, and leave out companies I had worked at, in order to minimize the number of companies for which I worked.

By changing jobs frequently I had learned a wide variety of technologies and programming languages. When seeking a new job I sought two things: More money, and experience that would look good on my résumé.

I confess to having exaggerated my skills on my résumé. If there was a particular skill set I wanted to learn, a technology or programming language, I would claim to be an expert, and if given an interview I would binge study all night prior to the interview and then charm my way into the job.

This is a time in my life when looking back I'd say I crossed over from simple over-confidence into arrogance. This bit me once when I left a well-paying job programming in one language to take another higher-paid job as an assembly language programmer on an IBM mainframe. I studied enough to get the job, but a watchful programming manager quickly discovered I had been fibbing about my experience. I was fired immediately, but had learned enough that I picked up a different job making even more money, coding in IBM assembler, within a couple weeks.

If there is a lesson to be learned from this time, it is that I was always focused on two things: My résumé and my checking account. I wanted a résumé that would give me the flexibility to work for anyone. I studied help-wanted ads seeking the technologies most in demand that paid the most. I knew that if I stayed working for one company, even as a superstar programmer, I'd be locked into 5 to 10% annual pay increases and a promotion every 2 to 5 years. That wasn't going to get me where I wanted to go.

You, dear reader, should take away from this time in my life that you must always be thinking about how marketable you are. I was right about that. If you have only one skill and the market for that skill is limited, your upside is limited and your downside is wide open. If you get lucky, your company will never have a layoff. If you wait long enough, you'll get a raise or promotion. If you are good, work hard, and work for the right company, this is a viable strategy. But it's not one that will give you true job security or allow you to skip steps as

you climb the career ladder.

Just a few of the many companies I worked for in the short five-year period before starting Sierra: Bekins Moving and Storage, Burroughs Corporation, Groman's mortuary, McDonnell Douglas, Fredericks of Hollywood, Sterling Computer Systems, Financial Decision Systems, Informatics, Aratek Services, Children's Hospital of Los Angeles, Chaffey Junior College, the State of Illinois, Warner Brothers Studios, Atlantic Records.

Not only was I working a full-time day job, I also started working various contract programming jobs by night and on weekends. Roberta was kept busy with DJ, our older son, and five years later, Chris, our second son.

It was during this time that Roberta and I evolved a system that stuck with us for decades. I would work late into the night Monday through Friday, and even until noon on Saturdays. We would spend the day, on Saturday, and into the evening, dining out or doing something while the kids were at home with a babysitter. This was Ken and Roberta time and no one or no thing could interfere. Then on Sunday, I could work early in the morning, but by the time the kids were up and around, it became their day. We spent the whole day and into the evening focused just on them.

At the ripe old age of twenty, we purchased our first home. And, guess what, as soon as we thought we could sell it at a profit, we sold it and bought another home. And once we had a profit, that home too was put up for sale. We became very good at packing and sometimes would move from a home before we even had time to unpack our boxes.

By 1979, when I first discovered personal computers, I had amassed quite a career, and we were well on our way to financial success.

Chapter 7: (1979) Roberta Has An Excellent Idea

> ***"Destiny is a name often given in retrospect to choices that had dramatic consequences."***
>
> **J. K. Rowling, Author**

Roberta's role in the start of Sierra is legendary. But there is more to the story.

Years before Sierra, while I was busy building my career as a computer programmer, Roberta also worked in computers.

Working was not Roberta's idea.

I wanted Roberta to work, and she wanted to be at home with our children. The reason I wanted her to work is simple. I felt we could earn more money if Roberta got a job. I also thought she would enjoy working with computers. I loved what I was doing and thought that if she got a taste of it she'd experience the same joy.

The problem was that she had no education in computers, had no experience in computers, and knew little about them. We were living in Springfield, Il. at the time, where I was doing some software development for the State of Illinois.

> ***"It's true that I knew little about computers, but my exposure had been more than listening to Ken talk about computers. I had spent a lot of time in computer rooms with Ken, not only when he was in college at Cal Poly University but also at Control Data Institute when he attended there, and then at his first computer operator job. Ken would often ask me to change the tape drive and then later the hard disk drives at the various places that he worked. One reason was that he was studying his 'programming' and didn't want to be interrupted by having to change a tape or disk drive. So, I had spent quite a bit of time 'computer operating' while Ken and I were 'waiting' in the computer rooms. This is how I was able to get a job as a computer operator and do it easily***

> ***without having to be trained to do it (at Lincoln Land Junior College.) I wasn't just 'sitting around playing with babies.' I was also learning."***
>
> **Roberta Williams (her response after reading what I wrote above)**

Roberta did very well as a computer operator, although she had to break in her new boss right from the beginning. On her first day, he asked that she take over responsibility for making coffee for his two programmers and himself. She declined, saying that she didn't know how to make coffee, which was true -- but also that she didn't want to learn! A few days later Roberta's boss asked her to type a letter. She immediately said, "I don't know how to type", which was a lie, but she didn't care. She was a computer operator, NOT a secretary!

We lasted under six months in Illinois. I wasn't making enough money at the time to rent a home with a garage. Instead, we had a carport and each day would start with me hoping the car would start in the freezing weather, shoveling snow out of the driveway and scraping ice off the windshield.

That was our cue to return to the warmth of California.

Roberta's dad, who has since passed away, worked for Los Angeles County as an Agricultural Inspector. He had a great job with good pay and amazing benefits. John would lecture about the benefits of working for the government.

This gave me an idea. If working for the government was a good thing, perhaps that's where Roberta should work? The county advertised their jobs, and I was able to see there were many entry level computer positions. However, even though no experience was required, testing was used to see who had the knowledge and aptitude to qualify. In an effort to be fair, interviewing for positions was secondary to test scores.

Roberta is a smart lady. I knew she would do well at any test, but wanted to remove all doubt. So … I devised an idea. I would apply for an entry level computer job and take the test. This would tell me the kinds of questions that were on the test, and I could use that knowledge to help Roberta prepare.

I took the test and, of course, aced it. I could have deliberately given wrong answers, but it was more honest to answer the questions to the best of my ability.

I rationalized my actions by telling myself:

- I was not writing anything down
- I answered the questions honestly
- If the County called and offered me a great job with lots of money, I'd take it
- I would not be giving Roberta answers, I would be telling her what to study
- Roberta would be tested on her knowledge, and she would have that knowledge before she took her turn with the test

Was it cheating? Certainly that could be argued, but form your own opinion. The outcome of my taking the test was that I spent many hours of effort tutoring Roberta in the subject matter that would be tested. Most of the questions were about binary arithmetic, hexadecimal numbers and basic computer terminology. Roberta's a fast learner and a good student. There were two people with the last name Williams who had perfect scores that month.

I received several job offers from the County but was never tempted. Roberta also received multiple offers and began her new life as a computer operator, hanging tapes for the County of Los Angeles.

Her job didn't last long. Six months? It has been so long that neither of us remembers. Of course, almost immediately after she started working, I wanted her moving up the ladder. Roberta, who had been unenthusiastic about working, was even less so about my idea that she should seek employment as a computer programmer.

Roberta thought I was crazy to insist that she could be hired as a programmer. I talked her into taking a college course in COBOL programming, which happened to be the language I was coding in at the time. I then supplemented her class-learning with personal tutoring and twisting her arm to send out résumés. She grumbled through all of this.

Finding a job for her wasn't a tough challenge. In the mid-70s, your chances of finding an elephant wandering the streets of Los Angeles were far higher than finding a female computer programmer. I can imagine the look on faces when a résumé crossed their desk from a young aspiring computer programmer named "Roberta." How could it be? Roberta was snapped up immediately to work as a programmer, coding in COBOL, by Lawry's Foods of Los Angeles.

Roberta's official title was "COBOL Trainee Programmer." She was

good but had little motivation to really dig in. Also: She was assigned a project working on Lawry's accounting system, but knew nothing about accounting.

None of this put her job at risk. Who would possibly fire a female computer programmer in the mid-70s? It wouldn't happen. And, the truth is that she was very good at her job. She would struggle by day with her assignments, then return home where I would tutor her, and fix her code. Her work was always done, and done correctly. My guess is that Lawry's knew something was unusual about how Roberta was working, but it was a win-win for all.

Roberta's time at Lawry's didn't last too long. It was a combination of her not liking programming, our son needing more attention, and my rarely being home.

One constant theme in Roberta's and my discussions was that we wanted out of Los Angeles. There were plenty of reasons; but mostly it boiled down to our saying, "Wouldn't it be nice to live in the woods?" Our second son, Chris, was born in May of 1979 and our eldest, DJ, would soon be six years old. Did we want him growing up in Los Angeles schools, where we worried about drugs and violence? Plus, the drive time was killing me. I was spending multiple hours a day sitting in Los Angeles traffic.

Driving an hour each way to work in L.A. traffic

Unfortunately, as a software developer there weren't many jobs in small towns. If I wanted to work as a computer programmer, I had to

be where I could find work.

We found our solution when I was offered a job at Boeing, the aircraft manufacturer, in Seattle. Today, Seattle is a hub of the computer industry, home to Microsoft, Expedia, Amazon, Zillow and many others. However, none of those companies had yet been born. Boeing was really the only game in town. Seattle wasn't a small town, but neither was it a big town.

To accept the job offer in Seattle, we would need to sell our home in Burbank, Ca. We listed our home for sale, and it sold quickly, with a 90 day escrow. Boeing agreed to wait for me, but our sale collapsed days from when we thought we'd be moving. We were packed and emotionally we were already in Seattle. It was very disappointing. We wanted out of Los Angeles and Seattle had been our only hope. Boeing withdrew my job offer.

My last full-time job was at a company called Informatics. It was a dream job giving me incredible experience. I was working with the latest technology on the latest systems. It's tough to imagine now, but at the time IBM dominated the market. There was a saying that everyone knew, "Nobody ever got fired for buying IBM." IBM's computers cost the most but were also the best solution, with the best and fastest hardware, the best sales team and the dominant market share. I made it my top priority to study everything IBM related.

Informatics produced a computer language and database system called *Mark IV* that was very popular on IBM computers. I had always wanted to work on the creation of a programming language or database and saw it as the best job a programmer could have. I was also surrounded by incredible talent. Informatics paid well and hired well. Every day was a learning experience.

However, none of this was as important as the fact that we wanted to move out of Los Angeles. And unfortunately, the only chance of doing so would be to create my own opportunity. I needed to start some company that could be run from home while living in the woods.

Another engineer at Informatics, Bob Leff, and I would have lunch together each day and bounce ideas on companies we could start.

The TRS 80 Model 1

As part of my quest to form some entrepreneurial venture, I noticed that Tandy Corporation (aka Radio Shack) had released a personal computer, at roughly the same time Steve Jobs and Steve Wozniak were introducing the Apple][.

I saw that a tiny company called Microsoft had put a programming language called "*BASIC*" onto the TRS 80. It came to me that there might be a market for other programming languages on these personal computers and Bob and I started talking about programming Fortran (another computer language) for the TRS 80.

As I was planning my next step, Roberta surprised me with an Apple][computer as my Christmas present. The Apple][was much more powerful than the TRS 80 and could even load programs from standard audio cassettes!

The Apple][

I knew immediately that the Apple][would be our future. It had an incredible amount of memory (16k) and a powerful processor (the 6502).

My friend Bob Leff and I started working to implement Fortran on the Apple][computer. Microsoft was offering the BASIC programming language for the Apple][and I was convinced we could leapfrog them with the much more powerful Fortran programming language.

```
C AREA OF A TRIANGLE - HERON'S FORMULA
C INPUT - CARD READER UNIT 5, INTEGER INPUT, NO BLANK CARD FOR END OF DATA
C OUTPUT - LINE PRINTER UNIT 6, REAL OUTPUT
C INPUT ERROR DISPAYS ERROR MESSAGE ON OUTPUT
  501 FORMAT(3I5)
  601 FORMAT(" A= ",I5,"  B= ",I5,"  C= ",I5,"  AREA= ",F10.2,
     $"SQUARE UNITS")
  602 FORMAT("NORMAL END")
  603 FORMAT("INPUT ERROR OR ZERO VALUE ERROR")
      INTEGER A,B,C
   10 READ(5,501,END=50,ERR=90) A,B,C
      IF(A=0 .OR. B=0 .OR. C=0) GO TO 90
      S = (A + B + C) / 2.0
      AREA = SQRT( S * (S - A) * (S - B) * (S - C) )
      WRITE(6,601) A,B,C,AREA
      GO TO 10
   50 WRITE(6,602)
      STOP
   90 WRITE(6,603)
      STOP
      END
```

Example Fortran program

As I was getting started on the Fortran compiler, I was still working for Informatics as well as several other companies.

My work at one of those companies required that I take home a teletype, allowing me to write code for some unseen remote computer. I think it may have been Children's Hospital of Los Angeles that provided me the teletype, but that piece of trivia is now lost forever.

Teletype, Acoustic Modem and Paper tape Reader

I was no stranger to working with devices that were hooked to remote mainframe (large) computers. In fact, my consulting practice, the name under which I did contract programming for many Los Angeles businesses, was: “On-Line Systems.” I had become an expert in working with computers that were accessed via remote terminals. Specifically, I was specializing in technologies called IMS and CICS, and with the IMS-DB system of databases.

There was no such thing as “the internet” in those days. In fact, there was nothing even remotely similar to the internet. There were remote terminals connected to mainframe computers, but they were wired directly to the computers. Not all terminals were clunky like the teletype I brought home. Most of the terminals I was working with had CRT (Cathode Ray Tube) screens and used a system to display pages of data which was not unlike the modern system that the internet uses to display web pages today (HTML).

To use the teletype, I had to load a program from paper tape, then use an acoustic modem to connect to a remote computer. The modem was a little gadget that would transmit data as sound. The sounds were a little like morse code in that seemingly random beeps and boops would represent data being sent as audible sound over a phone line.

This modem was a “110 baud modem,” which is the technical way of saying “incomprehensibly slow." "How slow?." you might ask. Well …. Most pictures I take with my iPhone are around 2 megabytes. To transmit 2 megabytes of data at 110 baud would take at least forty-

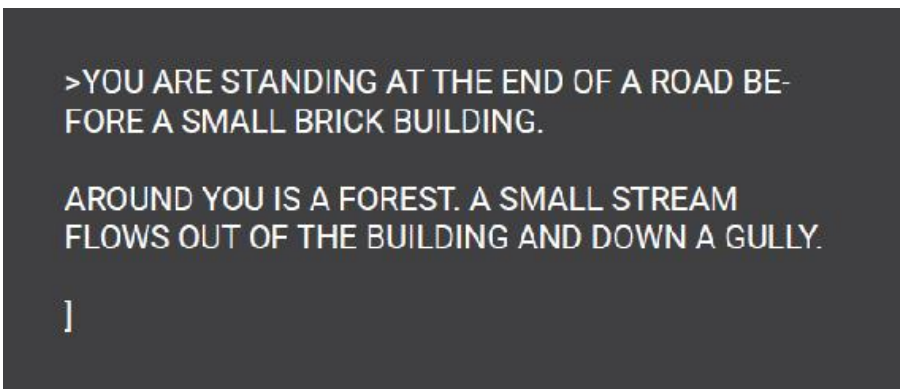
five hours, if the connection would last long enough to ever complete. Suffice it to say that no one was sending pictures via an acoustic modem.

It is possible that I just brought home the teletype to play with. At least, that's the only purpose I can remember the teletype serving. I somehow was able to dial into MIT via the teletype and play games.

There weren't a lot of games to play, and I couldn't find the original *Star Trek* game that originated my interest in computers.

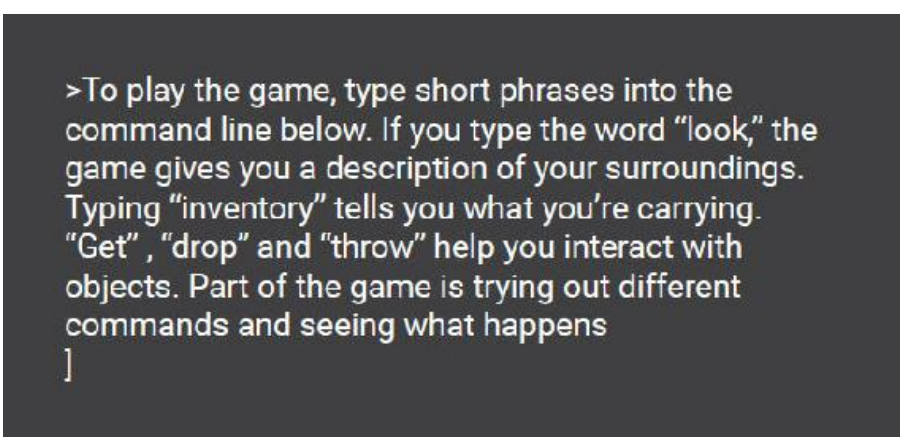
What I did find was a game called "*Colossal Cave Adventure*."

Curious what it was I ran the program and to my surprise I was greeted by these words…

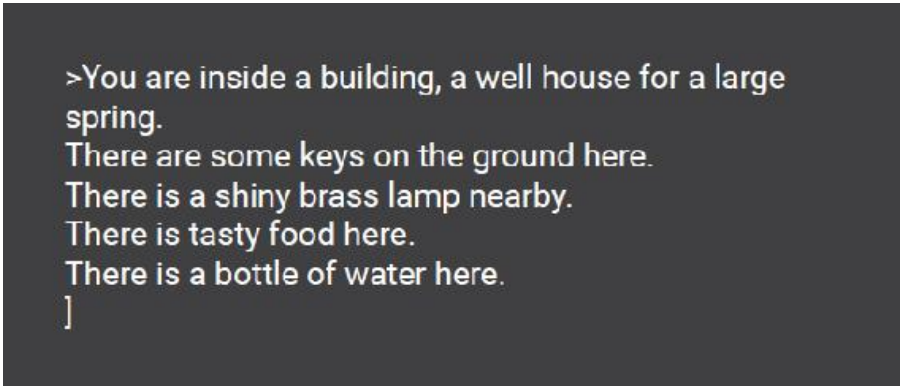

>YOU ARE STANDING AT THE END OF A ROAD BE-
FORE A SMALL BRICK BUILDING.
AROUND YOU IS A FOREST. A SMALL STREAM
FLOWS OUT OF THE BUILDING AND DOWN A GULLY.
]

Huh? Now what? What was I supposed to do? There didn't seem to be any instructions.

All I could think of was to type: "HELP"


>To play the game, type short phrases into the
command line below. If you type the word "look," the
game gives you a description of your surroundings.
Typing "inventory" tells you what you're carrying.
"Get" , "drop" and "throw" help you interact with
objects. Part of the game is trying out different
commands and seeing what happens
]

Interesting! I experimented, typing various sentences that didn't seem to get me anywhere, until I typed the simple phrase "GO BUILDING."


>You are inside a building, a well house for a large spring.
There are some keys on the ground here.
There is a shiny brass lamp nearby.
There is tasty food here.
There is a bottle of water here.
]

This was getting very interesting. Roberta was nearby in the kitchen, so I called her over to the computer. She read over my shoulder and then pushed me aside. She wanted to try. I was not happy! I had just gotten rolling and she took away my toy.

I was not able to get anywhere near the teletype for the rest of the evening. Roberta was ignoring the world around her. She stayed that way for hours. I recall her staying up all night to finish the game, but her recollection is that the effort spanned several weeks to a month.

Floppy disk drive, 110kb of data

About enough for one poor quality picture

My Fortran compiler was moving along and had been made much easier by Apple introducing a floppy disk drive. Audio cassettes were slow and unreliable whereas the floppy disks held approximately 110,000 bytes (characters) of information. They were still miserably slow, but at least they were more reliable.

An early text adventure from Scott Adams International

Meanwhile, Roberta was sad that she had completed the *Colossal Cave* and wanted something similar to play.

I ordered her some games on audio cassette from a Florida company called "Adventure International." They were created by Scott Adams and followed the same basic style of play as the *Colossal Cave*. The player would use type written commands to explore a world that was described via text. Roberta raced through the games, and then started thinking about if she could build a game of her own…

She tried to show me what she was working on a few times but I was busy and never really focused on it. I was keeping busy working on my compiler in addition to working both a full-time and several part-time jobs.

And then, one Saturday night, our lives took a dramatic turn when Roberta said she wanted to take me to dinner and had a surprise for me. I had no idea what the surprise could be. We made reservations at a fancy steakhouse (The Plank House) and arranged a babysitter.

Whatever it was she wanted, it seemed to be important to Roberta.

At dinner, Roberta laid out her idea for an Adventure Game of her own. Roberta was envisioning a game, to be called *Mystery House*, which would be loosely derived from a combination of Agatha Christie's novel, "*And Then There Were None*" and the board game "*Clue*." In *Mystery House* there would be eight people, locked in a

house, and murdered one by one. As Roberta was describing the killings, I was trying to hide under the table. Roberta was using words that are not typical during a romantic dinner, like: “kill,” “murder,” “gun,” “knife,” “blood,” and “strangle.” The couple at the table next to us was overhearing pieces of the conversation and could see Roberta across the table animatedly and loudly saying things like, “Wouldn’t it be great if I could give him an icepick in the eye?”

Roberta continued the discussion when we returned home, spreading across our kitchen table a large piece of paper filled with hand-drawn bubbles and connecting lines. The bubbles were labeled with descriptions like “The Porch,” “The Graveyard” and “Attic.”

As Roberta was talking I was listening closely. She had finally captured my interest! I started thinking about how such a game could be programmed. It seemed like it might be a trivial programming effort and something I could whip out in an afternoon that might make Roberta happy. This was obviously something she was passionate about.

Thinking out loud, I asked Roberta, “I wonder if it would be possible to have pictures of some of the places in the game?” Roberta asked if it would be possible and I said, “I don’t think so, but it would be fun to try.” If I was going to sidetrack from my compiler for a few days it should be for something fun, and I had already started wondering if pictures were possible on the Apple][.

As soon as I had suggested graphics, I started backpedaling. It might be fun to experiment, but was almost certainly impossible. Pictures are data intensive. It would take a stack of floppies to display just one picture.

Roberta was excited! She had no doubt I could figure something out, and she wanted me to immediately quit screwing around with the Fortran compiler and build her a game.

Roberta was a woman on a mission. And, when Roberta wants something, the only thing to do is to get out of

her way.

(1980) Roberta Gives Birth (And, It's a Game AND a Company!)

Chapter 8:

> ***"I'm tough, ambitious and I know exactly what I want. If that makes me a bitch, Okay."***
>
> **– Madonna, Recording Artist**

Roberta was not going to rest until I figured out how to build her a game. The actual game itself seemed easy to code. But, she had thirty or forty little bubbles on her diagram, each representing a different game location. It would be impossible to portray even one of those locations graphically on an Apple][computer. I believed Roberta was wasting her time, but I also couldn't stop thinking about how it could be done.

Roberta was so confident that I'd figure it out that she started sketching the locations. Watching her draw, I had an idea.

VersaWriter
FOR COMPLETE GRAHICS
VersaWriter
GRAPHICS TABLET AND SOFTWARE
Teachers, artists, engineers, programmers & hobbiests find VersaWriter an easy to use tool for creating micro computer graphics. No programming experience is required. Pictures can be made by simply tracing. Even children can explore the exciting world of computer graphics. The VersaWriter is as limitless as your imagination.
VersaWriter contains complete software for drawing with color, brushes & dots. Add text or fill in over 100 colors. Create your own shapes and place anywhere on the screen. Use Area/Distance, Move Picture, Electronic Drawing & Skeleton programs. Additional features include Reverse Picture, Scaling, Split/Full Screen, Save, Load, Erase plus much more..
Complete Hardware/Software System for Apple II/II+/IIe
(Also available for Atari and IBM PC)
$299.00

While visiting one of the very few computer stores in California I saw something called a "*VersaWriter*." It was being used to trace pictures into computers.

My "big idea" was to use the *VersaWriter* to mark end points of lines into the computer rather than storing the picture pixel by pixel. To understand what I was thinking, imagine a simple rectangle placed on a grid. It could be represented by a series of numbers; for example 10,20,30,40. This could mean something like: Start 10 pixels (dots) from the left and 20 pixels from the top, and draw a rectangle that has its lower right corner at 30 pixels from the left and 40 pixels down. A line could be drawn the same way using the same four bytes (numbers). This seems brain-dead obvious today, but was unheard of at that time. By using this approach, a line, or a rectangle, or even a circle, could be described in a tiny amount of data.

The *VersaWriter* came with software, but I'd need to write my own software which would allow Roberta to "trace" her hand drawings into the computer one point at a time. The local computer store connected me with the creator of the *VersaWriter* who thought it was a cool idea and he supplied me with the technical information I needed to write the utility Roberta needed.

The game that started it all: Mystery House

Roberta taped her hand-drawn picture to the tablet of the *VersaWriter*. Using the arms of the tablet, she started marking end points of lines. As she hit the end of each line she would press ENTER on the Apple][keyboard. Within minutes the picture was on the screen! The opening

picture of the house took only about 150 bytes to display! More detailed pictures might take a few more bytes, but suddenly her game was looking possible. Even if pictures expanded to 200 bytes, seventy pictures would only consume about 14,000 bytes, or 1/5th of a floppy disk!

I had to advise Roberta not to put too much detail into her pictures. The 80,000 bytes possible on a floppy isn't much storage. Somehow that tiny amount of disk storage was going to need to hold both the pictures and the game program.

I was still thinking about my Fortran compiler, and Roberta's game was interfering. Not good. I knew that I needed to somehow get Roberta what she needed to build her game or I'd never get any work done on the compiler.

She needed a utility that would let her build the game without bugging me, and that would compile the game to be small enough to fit on a floppy. To understand the problem, grab a loaf of bread and try to squeeze it to fit into a shot glass. It's possible if you squeeze hard enough, but it may never taste the same again.

There were multiple problems that needed to be solved simultaneously:

1) I would need to write a utility for Roberta to produce the art.
2) Her art would need to be stored (digitized) to fit in a tiny space.
3) Roberta would need one or more utilities that would allow her to script the game.
4) She would need some compiler that would assemble the pieces of her game and somehow fit them onto a disk, and into the limited memory of the Apple][computer.

No problem!

Ultimately, I came up with a very simplistic table-driven approach to the game which was based on a series of simple text files. I forget exactly what I did, but my recollection is that the files were Rooms, Objects, Messages, Verbs, Nouns and Actions.

My top priority, when writing the code that drove the game, was multi-tasking (in the human sense). I wanted Roberta to be able to develop the game while I sorted out the technology. To accomplish this, I split the game logic from the actual code that would produce the game.

Roberta wound up “coding” the game on a series of plain old paper pages. These were then typed into simple text files, which where then encoded to take up the least possible space on the floppy disk.

She described each location in the game as follows:

ROOM #	DESCRIPTION
1	You are in the front yard of a large abandoned Victorian house. Stone steps lead up to a wide porch.
2	You are in an entry hall. Doorways go East, West and South. A stairway goes up.

Objects would have been described using the same approach:

OBJECT#	NAME	DESCRIPTION
1	KNIFE	A sharp and pointy knife
2	CANDLESTICK	A beautiful silver candlestick

Verbs:

VERB#	SYNONYMS
1	GET, GRAB, TAKE
2	PUT, DROP

Nouns:

NOUN#	SYNONYMS
1	DOOR, OPENING, DOORKNOB
2	HOUSE, HOME, BUILDING
3	KNIFE, KNIVE
4	CANDLESTICK, CANDLE STICK, CANDLE

Messages:

MESSAGE#	DESCRIPTION
1	You can’t
2	If you did that you would die
3	You pick it up

Where it got a bit more interesting was on Actions. I needed to give Roberta a way to write code. Roberta did have some programming

experience, but had limited programming skills. I would be writing the real code (an “interpreter”) in assembly language. My interpreter would read her series of tables and decide what to put on screen.

The Actions table was where the action would happen. To describe it in a table, Roberta needed to indicate the room the action would take place in, what conditions needed to be met for an action to occur, and what would happen if the action were met.

ACTION#	INPUT	CONDITIONS	ROOM	ACTION
1	HAS Knife	HAS OBJ KNIFE	1	DROP OBJ KNIFE GOTO ROOM 2 EXIT
2	HAS Knife		1	DISPLAY MSG 1

It has been forty years and I have long forgotten exactly what the code looked like, but I do remember that Roberta quickly caught on and was able to produce the action table without my involvement.

While Roberta was busy filling reams of paper with her game design, I was busy coding a series of utilities:

1) She needed some simple data entry screen that would allow her to type in her design and create the text files that I’d be compiling.
2) She needed a compiler that would take her text files and compile them to a series of numbers.
3) She needed a run-time interpreter that would display the game according to her compiled design.

To put all this into perspective, you need to remember that there were no tools at the time. All of the animation and source editing/ debugging tools that exist today weren’t available then. I somehow was able to code in machine language (aka assembler), but I don’t remember how I did it. Perhaps Apple itself had some utilities, but they weren’t available to me. My guess is that whatever I did, it was very primitive and miserably slow and painful. And, don’t forget, I was working a full-time job, plus several part-time jobs at the time. Squeezing out hours to work on Roberta’s project was not easy.

That said, I do believe I was displaying Roberta's pictures within a week or two, and that within a month I had built enough of the data entry tools, compiler, and interpreter that she could start debugging her game.

I had been making regular visits to the local computer store where we purchased my Apple][to see what new peripherals or software might be available. At the time there weren't many computer stores to be found, probably no more than two or three in the entire Los Angeles area. During visits I would talk about my upcoming Fortran compiler and how it was going to revolutionize software development for the Apple][.

On one such visit I showed off an early copy of Roberta's game. It was a showstopper. Everyone in the store gathered around the computer and watched. They all wanted to type. I didn't want them anywhere near the computer because I knew how fragile the game was. Type the wrong thing and the game would crash. Unfortunately, I couldn't hold people back. Everyone wanted to try typing into the game.

The store owners, Vivienne and Gene, asked when they could buy copies to sell in their store. I was shocked and couldn't wait to get home and tell Roberta. Her little project, that I considered a distraction, seemed like it might actually be something!

What seemed like a long game development cycle wasn't long at all. Roberta bought the Apple][computer for Christmas of 1979. Mystery House was released in May of 1980.

Roberta designed the packaging for *Mystery House* (which was nothing more than one printed page stuffed into a Ziploc bag along with a floppy disk.

HI-RES ADVENTURE ("MYSTERY HOUSE")

$24.95
Disk
48K REQ.

What is an adventure game? According to the dictionary, an adventure is a hazardous or daring enterprise; an exciting experience; to risk, hazard, to venture on. One who goes on an adventure is a venturer. A seeker of fortune in daring enterprises, a speculator. In essence, an adventure game is a fantasy world where you are transported, via your own computer. You are the key character of the fantasy as you travel through a land the likes of which you will find in books that take you, through your imagination, to the world it is creating.

Through the use of over a hundred Hi-Res pictures you play and see your adventure. You communicate with HI-RES ADVENTURE in plain english it understands over 300 words!! All rooms of this spooky old house appear in full Hi-Res Graphics complete with objects you can get, carry, throw, drop, or ?

In this particular HI-RES ADVENTURE game, you are transported to the front yard of a large, old victorian house. When you enter the house you are pulled into the mystery, murder, and intrigue and can not leave until you solve the puzzles. Your friends are being murdered one by one. You must find out why, and who the killer is. Be careful, because the killer may find you! As you explore the house there are puzzles to be solved and hazards to overcome. The secret passage-way may lead you to the answer.

APPLE II / APPLE II PLUS SOFTWARE FROM ON— LINE SYSTEMS

Original Mystery House Packaging

> ***"What is an adventure game? According to the dictionary, an adventure is a hazardous or daring enterprise; to risk, hazard, to venture on. One who goes on an adventure is a venturer. A seeker of fortune in daring enterprises, a speculator. In essence, an adventure game is a fantasy world where you are transported, via your own computer. You are the key character of the fantasy as you travel through a land the likes of which you will find in books that take you, through your imagination, to the world it is creating.***
>
> ***Through the use of over a hundred hi-res pictures, you***

> ***play and see your adventure. You communicate with HI-RES ADVENTURE in plain english (it understands over 300 words!) All rooms of this spooky old house appear in full hi-res graphics complete with object you can get, carry, throw, drop or ? …"***

From the Mystery House packaging

There was no such thing as desktop publishing software in those days. We had to produce the "packaging" by going to the computer store to use their printer, and then hand taping the words onto a piece of paper, and then Xerox the pages for the packaging one at a time. The game consumed more memory than intended and some early purchasers could not get it to run. As you can see in this picture, after retailers identified the problem, I updated our packaging by handwriting the memory requirement onto the package: Retailers didn't complain. They happily sold a lot of memory upgrades for Apple][computers.

Roberta's game was an instant hit!!!!!

- INTERLUDE -

(A brief pause in the story, so I can wedge something in)

Let's Talk About Letters

Chapter 9:

> ***Opportunity is missed by most people because it is dressed in overalls and looks like work.***
>
> **Thomas Edison**

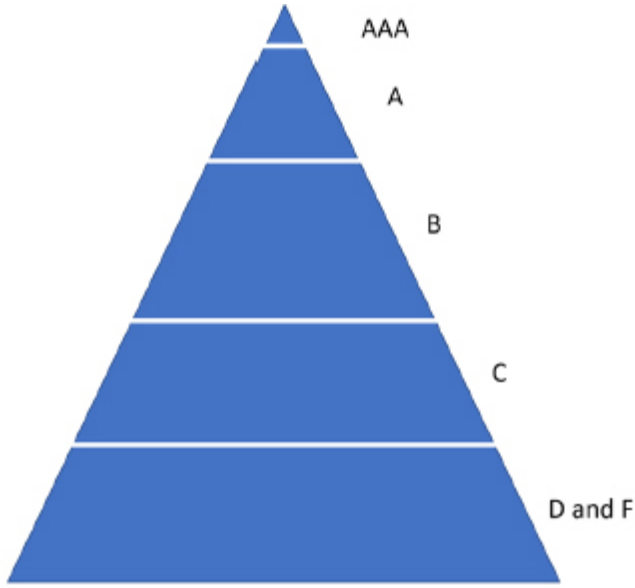
NOTE: As you read this book, you will see chapters that are labeled "Interlude," like this one. In some cases these chapters are extraneous to the story. For example, there is an interlude where I provide some tips for software developers. There are also interludes that are critical to understanding Sierra, but span the entire Sierra experience, and couldn't be pinned down in time, such as where I talk about Sierra's marketing and product strategies. Some advance readers of the book suggested I move these to the back of the book, but I like it better with them sprinkled throughout the book. Do not fear; enjoy the sidetracking, just keep reading and the story will continue.

Before I talk more about Sierra I want to digress and talk about how I have always graded myself and those around me. Feel free to skip this chapter, but those of you puzzling over how I think will find some insight here.

You may have heard the expression, "She's (or, He's) an A player." It's a form of ranking people within an organization.

There aren't a lot of A players.

> ***A players attract A players. B players attract C players***
>
> **Steve Jobs**



This implies most people are C and below

Is it good to rank people? And, where are you on this chart?

Ranking is not a popular notion. In today's world there is a push against grades. Schools are trending towards passing everyone. IQ tests, SAT tests, College Entrance exams, etc are under assault. I will not speculate on if that is right or wrong. Form your own opinion on what you think the world should look like and how it should run.

What I can tell you is how I mentally class people and why I think it is important. And, regardless of what they may say, even those people who fight the hardest against grading systems hope to find an A player when it comes time to get their refrigerator repaired.

I will start by defining the categories starting at the bottom.

F players do everything to avoid working. They find reasons why they can't work. If they do work they tend to show up late, count sick days and then exaggerate the slightest pain in order to go on disability.

D players are marginally better. They work, but only to the extent needed to get a paycheck. D players are perfect for factory jobs. They will usually show up on time. They will put in their time. And, they will go home.

C players are good solid workers. They are well prepared for their jobs and can be counted on.

B players are the standouts around the company. They do their jobs better than those around them. If the business hits the skids and two-thirds of everyone has to be laid off, B players, and above, are the ones you keep. If you call a B player at night or on a weekend, they will happily respond and show up at the office if needed.

A players are true heroes. Give them a project and it will be completed ahead of schedule. A players don't make excuses. They accept blame when they make mistakes and they never play "point the finger" games. They will take a project you thought would take a month and complete it ahead of schedule with higher quality than expected. They not only "know their stuff" they have a sense of the bigger picture and have potential well beyond the job they are doing. A players don't usually need to be called at night or on weekends because they are the ones doing the calling. A players know about problems before they occur. Waking them up is always ok because, if there is work to be done, they probably aren't sleeping anyhow.

Triple-A Players. Your chances of hiring one of these is slim. They have a broad knowledge base and don't really have a life outside work. You don't need to call them at home on nights and weekends because they are already at work. And, if something goes wrong, they don't need to call anyone. They just fix the problem. Or, more often, they plan way ahead so that problems don't occur. Even one of these in an organization will kick things into gear.

My personal goal has always been to be a Triple-A player. I can't honestly say that I have ever achieved that goal. If I'm awake I'm usually either working or thinking about working. If I'm reading it is usually some sort of self-help book.

This topic is critical if your goal in life is to climb the ladder of economic success. I'm not saying that D and F players never get promoted. In fact, if you've ever dealt with really large companies or government bureaucracies, you will find plenty of them. I do not mean to imply that Ds and Fs are bad people. They are often family oriented, perfect parents, highly intelligent, and charming. But in their lives, climbing the ladder is far less important than coaching their kid's soccer team. Speaking from a management perspective: If my goal is to run a business efficiently, and to thrash the competition, I'm not going to get there with D and F players.

If you want to win big in life, decide early that you want to be a Triple-A player. Recognize you may not be, but get as close as you can, and then do one more thing: Surround yourself with B or better

players. Be hardworking and smart. Surround yourself with smart hardworking people. In fact, if you are a B player or above, you will not succeed in an organization full of C and lower players. Cs only hire and promote Ds or Fs, whereas B and above seeks the elusive Triple-A player. If you are an A player working for a C player, you can expect to be fired or demoted. Count on it and don't be surprised. Complain about your boss, or work harder than those around you, and you will not last long.

If you think the above system is unfair, don't agonize over it, and don't try to change it. The system is what it is, and doesn't care what you think. If you are an A player, you are going to climb the ladder quickly if you are in the right company. If you are an A player and seem stuck in your position, change jobs. Don't wait long or stay and whine. Just move to a new company. When you resign, if your employer recognizes you as an A player they will pay you more to stay, or offer you that long sought-after promotion. And, if they don't, you are making the right decision to leave.

The main thing is to not lock yourself in. Always think about your résumé and how it appears, and make sure you have the kind of experience that allows you to move freely from company to company. Part of being an A player is to be "in demand" by the right kinds of employers. If your résumé only qualifies you for one particular position in one particular city, you are doomed to mediocrity or less. That's fine if your career is subordinate to your personal life. And, don't get me wrong. Being an A player is not for everyone. There are many people, probably most people, who could be an A player if they thought it was important to do so. But … is money all there is to life? All I can say is that, if your goal is to "win the game" financially, you need to take it seriously.

Chapter 10: (1980) A Brief Flirtation with Software Distribution

> ***"If a window of opportunity appears, don't pull down the shade."***
>
> **Tom Peters**

Roberta and I were amazed by *Mystery House*'s success. I took a few dozen copies to the local computer store and they sold out immediately.

In 1979, there weren't many computer stores in the country. I called them and they immediately asked for copies. Word spread quickly about the game and suddenly computer stores were calling me begging for copies.

APPLE II SOFTWARE FROM ON-LINE SYSTEMS

PADDLE-GRAPHICS:

The most powerful Hi-Res graphic development package available. Upper/lower case may be drawn on the Hi-Res screen in any size, direction or color. Pictures may be sketched and filled in with any of 21 colors (must be seen to believe!). A shape may be constructed automatically from any object appearing on the Hi-Res screen.

48K Applesoft/Machine Language

$39.95/disk

TABLET-GRAPHICS:

All of the capabilities of PADDLE-GRAPHICS extended for use with APPLE'S GRAPHICS TABLET.

48K Applesoft/Machine Language

$49.95/disk

HI-RES ADVENTURE #1:

Your APPLE computer becomes your eyes and ears as you enter a spooky old mansion in search of treasure. You direct it in English to move you through the house which is portrayed in full HI-RES GRAPHICS. You are in complete control as you open cuabinets, smash walls and manipulate any items you might find. Danger is ever present as you find your friends being murdered one by one. This game will definitely challenge your imagination. French version available upon request.

Machine Language for the Apple II or II plus 48K

$24.95/disk

SKEETSHOOT:

A real-time Hi-Res graphic simulation of the sport of skeetshooting. This game has all the sounds, action, and excitement of the real sport as well as the official firing positions. One to five players may compete.

Machine Language for the Apple II or II plus 48K

$19.95/disk

TRAPSHOOT:

One to five players compete at the sport of trapshooting. Fast action with many skill levels including adjustable shotgun spray make this game a true challenge.

Machine Language for the Apple II or II plus 48K

$14.95/disk

COMBINATION:

HI-RES ADVENTURE and SKEETSHOOT both on disk.

Machine Language for the Apple II or II plus 48K

$37.50/disk

Available at your local computer store.

ON-LINE SYSTEMS
772 N. HOLBROOK ST.
SIMI VALLEY, CA 93065
805-522-8772

Dealer Inquiries Invited

All orders shipped same day.

Software may be ordered directly by calling/writing 805-522-8772. Orders may be: COD/CHECK/MASTERCHARGE/VISA. Add $1 shipping.

California residents add 6% sales tax.

One of Sierra's first advertisements

Roberta did our game packaging on the first five of these packages.
We were lucky she decided to be a game designer instead
of a painter. We'd have starved.

In this ad, which ran while the company name was still On-Line Systems, *Mystery House* was promoted as a *Hi-Res Adventure*, indicating that Roberta and I already had more adventure games in mind. The address shown was our home, and the phone number was

our home phone. No cell phones in those days!

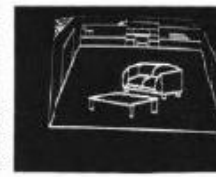
NEW APPLE II / APPLE II PLUS SOFTWARE FROM ON— LINE SYSTEMS

TIRED OF BUYING GAMES THAT BECOME BORING AFTER A FEW HOURS OF PLAY? ON—LINE SYTEMS IS DEDICATED TO DELIVERING SERIOUS SOFTWARE FOR THE DISCRIMINATING GAMESMAN. THESE PRODUCTS HAVE BEEN SIX MONTHS IN DEVELOPMENT AND PROVIDE THE QUALITY AND SPEED POSSIBLE ONLY THROUGH MACHINE LANGUAGE!

ALL NEW

HI-RES ADVENTURE ("MYSTERY HOUSE")

What is an adventure game? According to the dictionary, an adventure is a hazardous or daring enterprise; an exciting experience; to risk, hazard, to venture on. One who goes on an adventure is a venturer. A seeker of fortune in daring enterprises; a speculator. In essence, an adventure game is a fantasy world where you are transported, via your own computer. You are the key character of the fantasy as you travel through a land the likes of which you will find in books that take you, through your imagination, to the world it is creating.



Through the use of over a hundred Hi-Res pictures you play and see your adventure. You communicate with HI-RES ADVENTURE in plain english (it understands over 300 words!) All rooms of this spooky old house appear in full Hi-Res Graphics complete with objects you can get, carry, throw, drop, or ?.

In this particular HI-RES ADVENTURE game, you are transported to the front yard of a large, old victorian house. When you enter the house you are puled into the mystery, murder, and intrigue and can not leave until you solve the puzzles. Your friends are being murdered one by one. You must find out why, and who the killer is. Be careful, because the killer may find you! As you explore the house there are puzzes to be solved and hazards to overcome. The secret passage-way may lead you to the answer.

ALSO NEW FROM ON—LINE SYSTEMS

SKEET/TRAP have become Olympic shooting sports and and obsession among Scatter-gunners all over the world. These games are the All-American although they have become international.

SKEETSHOOT allows one to five shotgunners to test their marksmanship as they fire from the eight prescribed positions on an offidal NSSA skeet firing range. Each position provides a new perspective of the field with the pigeons travelling at different angles. At each position a pigeon is lauached from one side of the field and then the other. At certain positions, pigeons are launched from both sides of the field simultaneously. This is a true game of skill, simulating skeet shooting down to the last detail.

TRAPSHOOT allows one to five shotgunners to test their markmanship. The trap firing range has five positions where the ore to five players shoot from. Each player is at a different location on the field. The challenge is to shoot pigeons out of the sky which launch at random trajectories. The challenge is to hit the pigeons while they are still in gun range.

SKEETSHOOT and TRAPSHOOT both allow you to control the size and speed of the pigeons and the width of your shotgun spray. Realistic sound-effects and HI-RES animation combine to make this simulation unparralled for the APPLE.

DEALER INQUIRIES INVITED!

ALL SOFTWARE SHIPPED SAME DAY.
PHONE ORDER: (805) 522-8772

ON—LINE SYSTEMS, 772 NO HOLBROOK, SIMI, CA 93065

SEND TO: _____

		QUANTITY	TOTAL
Hi-Res Adventure/Disk	$24.95		
Skeetshoot/Cassette	$14.95		
Trapshoot/Cassette	$ 9.95		
Skeetshoot/Disk	$19.95		
Trapshoot/Disk	$14.95		
Hi-Res Adventures & Skeetshoot/Disk	$37.50		
		Subtotal	
		6% tax (Calif.)	
		Shipping	$1.00
		Total	

Payment: Check_____
Master Chg/Visa #_____
Expires:_____

Roberta and I answered the phones, took orders and shipped the product

I was suddenly speaking with every computer store in the nation and saw this as an opportunity to make money. I called Scott Adams, who had made the Adventure games that Roberta played, and asked if I could help sell his products. My new idea was to not only sell

Roberta's game, but to become a distributer for other software companies. There weren't many companies selling Apple software, and I called them all.

Within days I had become the West Coast Distributer for several software companies. They sent me copies of their software via UPS and then I delivered them to retail stores up and down the West Coast.

My younger brother, John, who was still in high school, was tapped to help with distribution. Here is a brief description he wrote of his time peddling Sierra products in Chicago:

> "… It was May of 1980 and I was living in a small bedroom community an hours' train ride from Chicago. I received a box via UPS from my big brother in California.
>
> I had no idea what was inside and when I opened the box, things didn't get much clearer.
>
> The box was filled with close to 100 Ziplock plastic bags with a piece of light cardboard and a square piece of plastic inside. The cardboard inserts were printed in black on blue or brown with simple graphic images and a few lines of text. In the upper corner of each was a price - $19.95 to $24.95.
>
> I talked to my mom and realized that Ken had been trying to call me for a few days. (I had just graduated from high school and hadn't been home much. I had a 3rd shift at a payroll company and an active social life.) I gave him a call and discovered that what he had sent me were computer games.
>
> His proposition was simple. "Go to the local computer stores and show them what you have. I'll give you 25% of everything you can sell."
>
> I had played computer games before at Ken and Roberta's house. They had a Radio Shack TRS-80 and games for the computer were loaded from cassette tapes. Ken explained those little square wafer things were like cassettes but faster and that the computer store would understand what they were.
>
> I was perhaps just too young to be intimidated by the idea of trying to sell something I had never used, couldn't explain and didn't understand. They say blessed are fools and children, and I had a foot in both camps, I guess. (This was to be a common theme in the early days of the rise of Sierra – Ken gave a chance to a lot of people like myself who had absolutely no reason to deserve one. We often had success just because we were too naïve to understand what we were up against.)
>
> I checked the phone book and discovered seven "computer stores" in the greater Chicagoland area. Three were downtown – a place my dad had said I wasn't allowed to drive to or he'd stop paying my car insurance- but I found an address for one in a suburb up north that sounded like it was findable. I loaded up my '72 Pinto with that box of games, and I was on my way the next day. No appointment or anything. I just went.

It was a weekend, and when I got to the store mid-day it was packed with customers who seemed in no hurry to buy, but were eager to talk to each other and the clerks about technical things using words I had never heard and did not understand. I finally found a clerk who would talk to me long enough to hear my story about the mysterious items that my brother had sent me. He was as curious as I was about what these disks contained, but customers came first, and it was another hour or so before he had a chance to unpackage a “diskette” and “boot” it into the computer.

When the first screen of Mystery House appeared on the primitive green screen computer monitor, the constant din of the computer enthusiasts who had been crowding the store dropped just a bit. The screen was small, but the crowd quickly surrounded it as best they could.

The clerk seemed to understand immediately what the game was about and started trying to figure out the text commands. Soon enough the crowd behind them was shouting suggestions and seemed enthralled as the story moved from scene to scene.

At some point an hour or so later, the manager of the store, surprised to see me still in the store after the business was done, pulled me aside. After chastising me for daring to come into his store on a Saturday to attempt to do business, he bought 10 copies of the game that his customers were seeing on screen.

An hour later he was surprised to still see me in the crowd and bought 20 more as he’d sold out. He also bought 5 each of the other 2 games I had, sight unseen. The computer store manager's purchase was over $500 – and he paid cash from the register. I’d never held so much cash money in my life.

I remember that I had to go next door to a drugstore to buy a receipt book. He wanted a receipt before I could take his cash. (Who knew they would expect that?) He asked me for my number so he could re-order. (I didn’t know to volunteer it.) Looking back, I probably should have been laughed out of the store, but as I’d find out quickly, pretty much everyone involved in personal computing was pretty green then. That store manager was patient with me and even a bit fatherly. I wish I could remember his name, but it’s lost to history.

My “cut” from the afternoon in that computer store was about the same as I’d made the week before working my “real job.” I visited the other stores in the area – three threw me out as they were “serious computer stores” and had no patience for games – but I had similar results at other stores. Within a week I had made about a month’s wages from my real job. I made the rounds of the four stores once a week and quickly found others I could drive to without my parents realizing how far away I had driven.

To this day I don’t think my parents knew how much money I was making as I sold software out of the back of my Pinto wagon. To be honest, I don’t think I did either. I wasn’t good with math and I was worse with money. I just knew I could suddenly pay for concerts I wanted to go to, pay for gas, buy weed, and all the White Castle burgers I could eat. Before the summer was over, I’d visit places like St. Louis, Denver, Las Vegas and more selling Kenny’s games.

This, I thought, is what it must feel like to be an adult. To have it made. I was so young and so naïve. The next few years would show me what it was to be an adult, to have it made and to lose it all.

It was a fun roller coaster ride. One that a lot of people who knew Ken took a ride on. A lot of people went very far, very fast. Others lost their grip and ended up falling a very long way. Those of us who held on too long experienced a bit of both. No matter what the end, pretty much everyone agreed it was a hell of a ride.

Quickly, it became apparent that there were two different businesses I was now in: Software development and software distribution.

My friend and coworker Bob Leff and I talked about him buying the software distribution business.

In what must have been an unimaginable leap of faith, we both quit our jobs at Informatics in order to focus on this new emerging industry of selling software for personal computers.

Bob bought the distribution business from me for $1,300 and then a couple weeks later sold half of the business to another friend, David Wagman, for $10,000. I thought Bob had overcharged David and gave him a hard time, but it turned out to be a very good investment.

The Ford Pinto

I will never forget the day I sold the business to Bob. We transferred all the inventory into the back of his car. It was a hatchback, and I recall it as a Ford Pinto (which it may have been). Bob drove off, headed to San Francisco, to deliver his first batch of software to a

computer store. It was a hot day, and the inventory melted during the drive.

Bob's new business was off to a rocky start. His luck did improve…

> ***"Robert Leff co-founded the computer software distribution company Softsel in 1980, and developed the venture into a $5 billion, multi-national computer products distributor now named Merisel. Softsel (originally called Robwin Computing) initially grew out of a distribution company Leff bought from Sierra On-Line co-founder Ken Williams.***
>
> **Wikipedia**
> **https://en.wikipedia.org/wiki/Robert_Leff**

It's funny, in that once Bob got rolling on distribution and I buried myself in software development, we drifted apart. I never followed how he did with his company and hadn't thought about our launching our businesses together in decades.

In researching this book, I found the information above. Good for him!

Chapter 11: (1980) Wouldn't It Be Cool to Live in The Mountains?

> ***"The coniferous forests of the Yosemite Park, and of the Sierras in general, surpass all others of their kind in America, or indeed the world, not only in the size and beauty of the trees, but in the number of species assembled together, and the grandeur of the mountains they are growing on."***
>
> **John Muir**

While Roberta and I were busy launching a software business, Roberta's dad retired from his position as an agricultural inspector for LA County and moved to Oakhurst CA. He and Nova, Roberta's mom, purchased twenty acres of land where they planned to raise apples.

Oakhurst is a small, somewhat touristy, town located just outside Yosemite National Park. The nearest "real" city is Fresno, CA, forty miles down a mountain road. Wikipedia states the population in 2000 as only 2,829.

Bass Lake is near Oakhurst CA

Yosemite National Park is home to some of the world's best hiking and is near beautiful Bass Lake.

Almost overnight Roberta and I saw our chance to escape Los Angeles and followed Roberta's parents to Oakhurst.

Technically speaking, we actually moved to a nearby town, Coarsegold CA, which was a suburb of bustling Oakhurst. Coarsegold has grown since those days and reports having 1,840 people on Wikipedia.

Amusingly, as I was researching this book, I saw that Wikipedia still lists Oakhurst as the birthplace of Sierra On-Line. Given that we sold the company nearly twenty-five years ago, it gives you a sense that not a lot of big news has happened in Oakhurst since that time.

36575 Mudge Ranch Road, Coarsegold, Ca.

Ken and Roberta's first home in the woods

The above home is located where Roberta and I first moved “to the woods.” Our home was similar but burned down while we were living there (more on that later). Many early games from Sierra listed this address for the company (36575 Mudge Ranch Road), and our home phone number for support calls.

The company was only based at our home for a couple of months before it became obvious that this was a bad idea. With each day that passed the number of phone calls from dealers, distributors, magazines, and above all - Customers, would increase. It seemed that all I had time for anymore was answering the phone.

Roberta and I couldn’t keep up with copying the floppy disks and

bagging them. I remember going to the local grocery store and completely cleaning them out of Ziploc bags. First, I hired a local woman to come to our house and answer the phone (and, take orders!) Next, I hired a couple of local kids to come to our house each day to copy disks and place them in the Ziploc bags.

Roberta and Ken Williams, Circa 1980

Copies of the games started finding their way overseas, which meant the calls that were welcomed at first, suddenly started waking us in the middle of the night, at which time it became clear that we needed an office.

And, we needed a new phone number.

A local printer, Cleon Jones, had been busily producing the sheets of paper we called “packaging” that accompanied each floppy disk sold. Overnight we had grown from asking to use his Xerox machine to suddenly keeping his giant press busy.

Cleon was a bright guy and offered us cheap rent on some space upstairs behind his print shop.

Chapter 12: (1980) Color Makes It Better

> ***"You know, I've been playing with my hair color ever since I was nine."***
>
> **Cyndi Lauper, Recording Artist**

During Sierra's first eighteen months, the company released ten new games. Half of those were based on the original game engine I had developed for *Mystery House*.

Mystery House had been well received but both Roberta and I knew that its graphics were terrible. I wanted Roberta to immediately start on another game, but she dug in her heels and said, "Not unless you can figure out how to make the pictures look better."

Roberta Williams, Game Designer

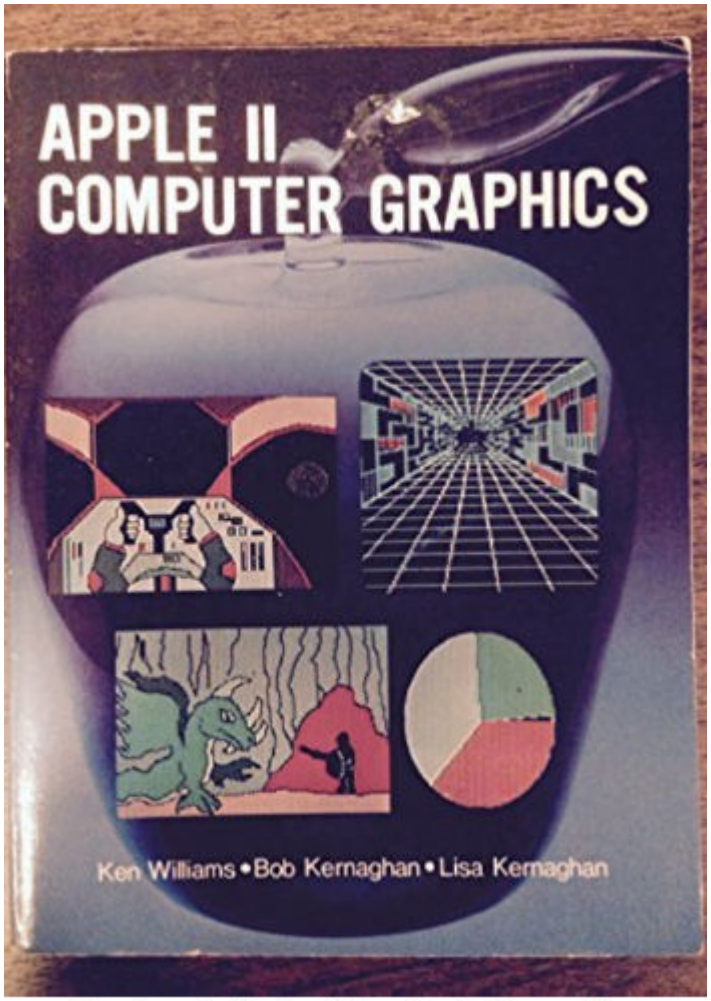
(But, perhaps not a great artist)

As I studied *Mystery House* I noticed a couple of things.

1) Roberta was not a great artist.
2) Whenever there was a single dot, in a row, on the screen it would take on a bit of a color.

I was intrigued by the purple and green dots and became curious whether or not other colors might be possible. I was experimenting at

the machine language level, talking directly to the hardware, and discovered some tricks that were making purple and green dots possible, and that were also providing a way to trick the machine into producing orange and blue dots.

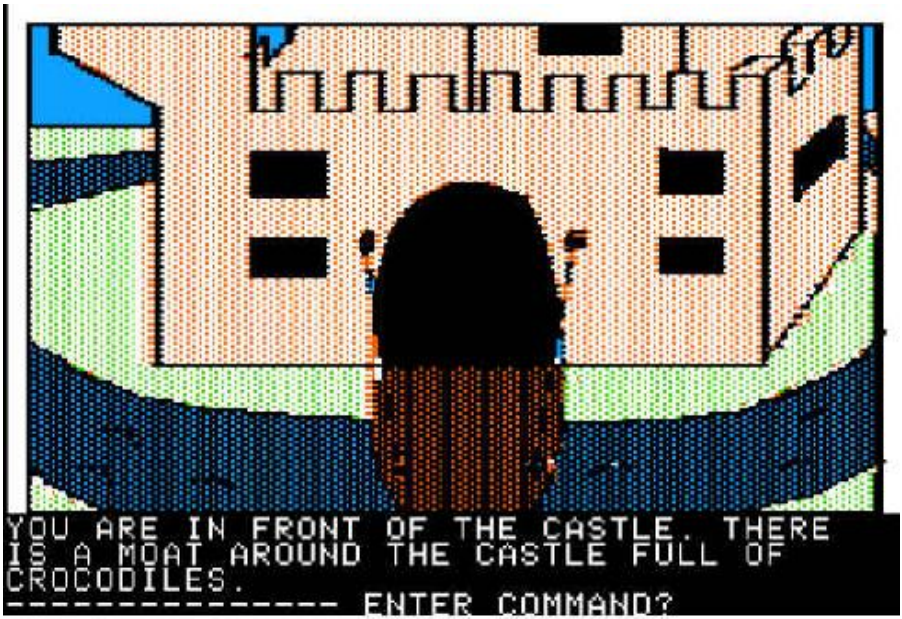


Ken "wrote the book" on Apple][graphics

I wrote a book about graphics on the Apple][that was “THE” book for people wanting to do games at the time.

Unfortunately, the gimmick I was using to produce color was incredibly clunky. It had never been done before and those who saw it were impressed, but it was a long way from beautiful.

That said, it was all that was possible on the Apple][and Roberta needed something for her game.



Pictures from Wizard and the Princess, showing the limitations of mixing certain colors within the same 8 pixel boundary

The pictures above are from Roberta's second game; *The Wizard and the Princess*. As you can see, there is color!

There were severe limitations I had to deal with. I was still dealing

with the tiny floppy disk size, and for *Wizard and the Princess* Roberta wanted even more locations (background locations, or rooms). To get around this I had Roberta produce her pictures the same way she had for *Mystery House*, but then click anywhere within any outlined part of the picture and specify a color. It was essentially the same process a child might use with a coloring book, but with far more limitations. The good news was that coloring the pictures using this technique added virtually nothing to their size but enhanced their appearance considerably. All I had to store on the floppy disk were three bytes (numbers); the row and column location where Roberta indicated she wanted a color, and then one number representing the color she wanted. Once I had a point inside of something that was outlined I could start spreading color outwards until I bumped into something. For example, Roberta would use the Versawriter to draw a tree trunk, then click somewhere within it, and choose the color brown. As long as the tree trunk were drawn fully enclosed I'd algorithmically color the entire trunk.

Unfortunately, there were other challenges that proved insurmountable. As you can see in the previous picture I was fighting limitations as to which colors could be near other colors. Within a single byte of computer memory I was locked into only having purple or green, or orange and blue. When Roberta needed a green tree, surrounded by a blue sky, bad things happened.

The second problem I needed to solve was that, no matter what I did, the Apple][could only produce six colors: black, white, orange, blue, green and purple.

To get around this, I blended colors together to give the impression of more colors. It would have been a great idea if the resolution were higher but the Apple][screen only had 280 horizontal dots (us geeks call them pixels) and 192 vertical dots. And, it gets worse. In order to produce color, I was only able to use half the dots. To give you a sense of comparison, the Apple][had only 53,760 dots total, whereas my cell phone (an iPhone) has 2,740,500 dots, any of which can be any of millions of colors.

THE WIZARD AND THE PRINCESS
HI-RES ADVENTURE #2
$32.95
Disk
48 K REQ
Only ON-LINE SYSTEMS could deliver a HI-RES ADVENTURE game on such an epic scale. In this adventure you find you must do battle against an evil wizard in order to save the life of the princess. To find the wizard and his castle you must first cross deserts, oceans, mountains, travel to an island and encounter many strange beasts. You will be forced to learn magic, navigate at sea and dig for treasure. This game should provide months of adventure.
HUNDREDS OF HI-RES PICTURES. (Looks great on b/w and color televisions).
FULL 21-COLOR!! HI-RES GRAPHICS. (Each room a work of art).
YOUR GAME MAY BE SAVED FOR LATER CONTINUANCE.
RUNS ON BOTH 48K APPLE-II AND APPLE-II PLUS.
BY FAR THE MOST AMBITIOUS GRAPHIC GAME EVER WRITTEN FOR THE APPLE!!
APPLE II/APPLE II PLUS SOFTWARE
ON-LINE SYSTEMS

Wizard and the Princess, Sierra's first "color" adventure game

The front of the *Wizard and the Princess* packaging boasts proudly, “BY FAR THE MOST AMBITIOUS GRAPHIC GAME EVER WRITTEN FOR THE APPLE.” We weren’t fibbing, but … oh well. I can’t say that I’m super proud of the result.

Customers loved the use of color! I quickly realized Roberta had struck gold and it was time to do some serious mining.

Several other adventure games were immediately launched into development.

Roberta was at best a beginning software developer. Yet, she had virtually single handedly created a #1 computer game hit. She was busy working on *The Wizard and the Princess* and quickly followed it

with another game: *Mission Asteroid*. Roberta was pedaling as fast as she could but there are only so many hours in a day.

Maybe there was someone else who could build an adventure game?

We had hired people to sit in front of computers and copy disks, one of whom , Bob Davis, approached me and said he had an idea for a game called "*Ulysses and the Golden Fleece*."

Hi-Res Adventure #4

Ulysses and the Golden Fleece

I turned him loose and soon had another game to sell. Great!

- INTERLUDE -

(A brief pause in the story, so I can wedge something in)

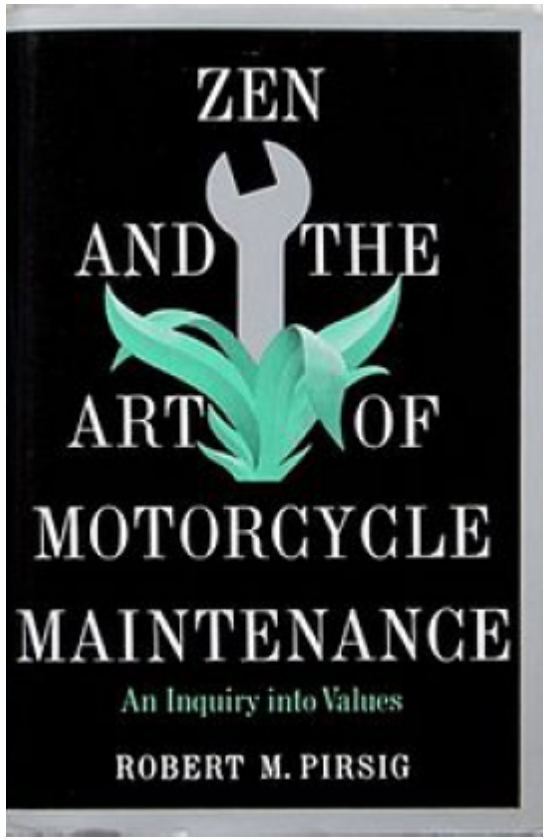
How To Be A Software Engineer

Chapter 13:

> ***"A clever person solves a problem. A wise person AVOIDS it."***
>
> **Albert Einstein**

NOTE: This chapter is intended for engineers or engineering managers. The rest of you may (or, may not) want to skip to the next chapter.

There is one book that I'd recommend to anyone seeking a career as a software engineer, or who wants to go boating, or just about anything else: *Zen and the Art of Motorcycle Maintenance*. My career as a software developer and decades later as a boat captain was heavily influenced by this book.



That said, I can't really claim to have read the book. I attempted several times and did read all the words, but never fully understood all I was reading. The author, Robert Pirsig, was a college professor and wrote like one. His novel is autobiographical and reads like a blog entry of a cross-country motorcycle trip he took with his son, Chris. As the author himself says, the book has little to do with Zen or Motorcycle Maintenance. Instead, the book focuses on his personal struggles with relating to the world around him.

I think in terms of "takeaways" and for me it wasn't as important what the book was really about as what I took away from the experience of reading it.

My "takeaways" from the book:

- How to analyze a problem.
- How to break a large problem into smaller pieces.
- How to decide what is really important.

My philosophy of software development grew out of my reading Pirsig's books (He wrote a second book, *Lila*, that was somewhat a

sequel in which he talks about boats and cruising). Specifically, the book started me on the path of thinking of an engine, or even a software product, as a series of subsystems, each of which has a specific function or goal.

For example, when I think of a diesel engine, instead of thinking of it as simply "propulsion," I try to think of it as: A fuel system, an air intake system, a cooling system, a lubrication system, an exhaust system, etc. If you can look at something and think of it as comprised as a series of subsystems, then it becomes easier to diagnose problems, and to understand the individual components.

This led to my #1 rule of software development:

> *"The smaller you can make something, the simpler it is."*
>
> **Ken Williams**

Step 1 in analyzing any problem is to break it into a series of smaller parts.

There are not many people who have been around as much software as I have. I've been associated with hundreds of software products and have been developing software continuously for over forty years.

The smaller and simpler you can make something, the more likely you are to get it right on the first try. Many engineers pride themselves on finding complex solutions to problems. I've seen them agonize over a piece of code for hours, making it run faster or consume fewer bytes. They seem to like code that shows off their programming prowess.

Sadly, there are some organizations in which these kinds of heroics are indeed rewarded. But, I see it differently.

Before I get into that, let's back up for a second.

Any task should be begun by thinking about what the goal really is. If you are developing new code, think about how often it will be executed. Think about whether the code is for internal use or for use by customers. Think about how often maintenance will need to be performed on the code. Think about the amount of data to be processed, etc. Try to envision how the code plays into the overall product.

The whole concept of what it means to "go fast"
is not as clear as you might think

An example: I have seen engineers agonize for days to optimize a piece of code that will be run only a couple of times a week. Does it really matter if the code takes 10 milliseconds or 10 seconds to run? In some cases, yes, but usually, no. It may be that by writing the code "sloppily" it is easier to read and maintain, plus you can get in and get out faster.

Often, the goal is going to be to impress your boss, so take what I say with a grain of salt, and do what it takes to make your boss happy. Your boss is responsible for your career advancement, not me. That said, it is good you know that speed of execution, and that tight code is not the holy grail they may have told you it was in college.

If you are an engineer or an engineering manager, and take away only one thought from reading this book, here's what I suggest it should be:

> ***"One hour projects take one hour to complete. Four hour projects take a day. One day projects take a week. One week projects take a couple of months. And, six month or longer projects tend to never complete."***
>
> **Ken Williams**

Write that one down. It is the one most important lesson in software development.

The smaller you can make the pieces that form the completed project, the faster it will complete. So, if given a large project, you must begin by breaking it into a series of smaller projects. Divide and conquer. If you can break the effort into a series of small projects, it will finish on time and on budget. And, if you can't, it won't. You'll need excuses to bail yourself out. You can survive for years with good excuses, so it isn't the end of the world. But, there's also nothing wrong with winning.

If you are an engineering manager, force your engineers to describe their approach to coding. Don't let them get started until they have broken the project into small bites. Demand a list of tasks.

Prepare yourself to hear this phrase, "This is not my first rodeo. I do not need to be micromanaged." I am well acquainted with getting this answer, and not just from engineering departments. There is some truth in this. Great engineers do not need to be micromanaged. That said, great engineers will have a plan worked out and will have broken the project into small pieces. If this hasn't been done, then you may want to question their greatness.

Another popular line you'll often hear: "I don't know how long it is going to take. I am working on it." I find this response unacceptable. Better would be to say, "I'm going to take a couple days to study the code, and then build an action plan. At that point, I'll be able to give you a detailed schedule."

There are exceptions to every rule, but I assign more priority to code reliability, readability and maintainability than I do to execution speed or "tightness." And, magically, if you write code constantly trying to see it through the eyes of an engineer two years down the line who has to make a change to it, you will find that the code completes on time and on budget. It will debug faster and be more reliable in production.

And as always, this begins by "making it simple." The best code looks brain-dead simple.

I usually start coding by working out my method (subroutine) names. I like routines with names that clearly say what the routine does; names like: "get_input_from_customer" or "put_record_to_database." I try to keep the functionality of a routine to what the method name says it does. In other words, in a method called "validate_customer_number" you should not be doing anything other than validating the customer number. If as part of that you need to do

some other work, call some other method to do it. Try to keep the method to no more than about twenty lines of code. If validating the customer number requires doing things like checking to see if the customer account is active, then call a method called "check_customer_account_active." Don't put the code into the same method. Why do that if it is only four or five lines of code? The answer is that most engineers can write a few lines of code and have it work on the first try, whereas a 25 line method takes exponentially longer to debug than a 20 line piece of code. Trust me. Keep it brain dead simple. Use annoyingly long variable names. And, you will finish faster than the "whiz kid" at the next table.

Some other things to think about…

Beware the "not" Boolean expression. Always imagine that the engineer who will be maintaining the code will be a rookie who needs your help. Most rookies will get confused by constructs like: "if (not customer_number is null) …." If you go way out of your way to keep things positive the code will read easier, even for yourself. Perhaps think about adding a method to validate the customer number. The construct: "if (isValid(customer_number)) …" will be easier for future coders to read.

As an example of how going slow can speed things up, I'll explain how I approach large complex maintenance projects:

- Before changing any code, I single step through the code to get a feel for the data and what the code is doing.
- I then refactor the code. I tend to spend a day converting the code by breaking large methods into lots of smaller methods. I look for "not" statements and reverse the code. I look for code that is indented more than one or at most two levels and convert it to being methods. I look for long methods doing ten different things and split them to ten separate methods. I look for redundant code and consolidate it to a single method or class. (Note: When doing this you should add comments for anything that might help out future engineers and yourself.)
- I then confirm the code still does what it used to do.

The refactoring of the code lets me "get inside" the code and really understand what it is doing. This step feels like the project isn't moving or is moving backwards. But, when it completes, I'm usually in a position to know how long the project will take and will have a code base that I can work with. More importantly, I'll have a code base that the next engineer can use without going through the pain I

just went through.

A few more "rules" of software development, most of which are common sense and painfully obvious, but I'll include them here anyhow:

- **Use self-explanatory variable and method names**. This is like programming 101, but you'd be amazed how many engineers need to be reminded. Avoid using variable names like "foo" or "x." Names like "customer_number" are better.
- **Don't use two different variable names for the same thing**. If in one place in the code you have "cust_num" and in another place the same data is "customer_number" there will be confusion. If you need to, qualify the name rather than spelling it differently. Eg. db.customer_number and input.customer_number.
- **Keep the end user busy**. This is a design philosophy, not a coding standard, but it's certainly worth thinking about as you code. End users (people using the software) have attention spans that are very short. I always had a "seven second" rule. Anyone sitting in front of a computer needs to be engaged in some way every seven seconds. Preferably a seventh of a second, but … in the worse case I would tolerate seven seconds. Even if it just means asking the user to "press enter," you need to keep them busy. Don't let them get bored.
- **The user interface gets exponentially more confusing with each extra question on the page**. If you are designing a data entry screen, keep it simple. Don't worry about the fact that the user might need to press enter twenty different times, or the screen refreshed several times. Nothing bothers end users more than confusion. Remember the mantra: Keep it brain-dead simple.
- **The only reality that counts is the one the user sees**. When we first started making multiplayer flight simulators, we had to deal with incredibly slow data speeds. Packets of information would arrive seconds after they were transmitted, or in the wrong sequence. Or often, not at all. We spent weeks trying to get the communications code reliable and then hit a wall. Given the technology at the time, fast reliable communications was not possible. The solution came from having the code on each client machine make the decision. If my airplane, on my computer, thinks it was shot down, then it was, and a message can be sent to everyone else in the universe that my plane is shot down.
- **Every method should stand on its own**. Don't access variables that weren't passed into the method. Avoid "global" variables. My favorite methods have a name that says what they do. You call

them, give them the data they need, and they give you back an answer. A perfect method should be able to be tested by using generated test data. If you have to wait for all of the code to be complete to test the method, something is wrong.

- **Don't do magic numbers**. Have you ever seen something like this in code? "total = sales * 1.06." My guess would be that the 1.06 is there to represent a 6% sales tax. But, why should I have to guess? Why not use a variable (or, a constant) called SALES_TAX_RATE? The code will read easier. Or, better yet, pass in the sales tax rate to the method as a parameter. You will hear engineers argue that it is silly to pass in something like this as a parameter. It uses more memory and makes the code larger. All I can say is: There may be some cases where a few bytes and a few milliseconds makes a difference, but the majority of the time no one will ever know, and the benefits in debugging, reliability and maintenance offset any loss of speed or memory.
- **Figure out what the coding standards are at your company and stick to them**. It is annoying to code to a standard you don't like or think makes sense. Feel free to speak to the engineering manager and argue for change, but when it comes time to code, you need to adhere to whatever the prevailing standards are.
- **Get something running early**. Focus on writing small amounts of code and then debugging it. Start thinking about how much code you can write that is bug-free on the first try. Any piece of code more than 30 or 40 lines long is likely to have at least one bug. The sooner you find it the faster your project will complete. I'm over-generalizing, but the key concept is that you should be alternating coding and debugging about every 20 to 40 lines of code. At most you should be debugging after writing (or altering) two or three methods. The reason: Debugging time rises exponentially with the amount of un-debugged code. If twenty lines of code takes five minutes to debug, forty lines will take twenty minutes, and four hundred lines of code will take days. Keep it small. Keep it simple. You will deliver clean code to Quality Assurance (QA - the bug finding group) and build a reputation.
- **Do your own debugging**. This goes with my previous point. Find your own errors before QA does. No matter what you do QA will always find things, but the cleaner the code is when it hits them the better.
- **Tell QA how to beat your code**. You wrote the code, or at least you're the one who altered it. Never just hand it off to the QA group. Instead, give them some documentation on how to break

it. Tell them what testing you did and what testing you think could be used to break the code. Say things like: "I was only able to test with a limited amount of data. I think the code will be fine with real data but I'd encourage you to stress test it with thousands of transactions." Anything you can do to guide QA towards breaking the code is a good thing.

- **Start with the hard part**. I've seen this rule violated hundreds of times in various ways. An engineer will start a project and quickly report that they are 90% done. Then, they suddenly hit a wall, and it turns out that the first 90% of the project only took 10% of the time. What always happens is that engineers will look at a project and want to start with the part that they know how to do. If there is some pioneering to be done they'll focus on the user interface to show visible progress. They convince themselves that the hard part will be easy, but that it is better to save it for later. A good question to ask engineers up front is, "What do you see as the trickiest part of this project?" Once you figure out what it is, start there. Always. Never save the tough part for last. Do the scary part first.
- **Never let anyone except you stand on your critical path**. Triple-A software engineers never say, "My part of the code is done, but I am waiting on the API group to get their code written so I can test." Or, "I think there is a bug in Microsoft's code. I'm waiting for an answer from their support group." If someone else has code you are supposed to integrate with, and it isn't working, write your own code that pretends to be their code and use this new "stubbed out code" to test your code. Do not sit and wait. If it is some function of Microsoft's (or Facebook's or whomever's) that isn't working as documented, find an alternate way of doing whatever it is you want to do. Keep moving and get the job done. Right from the beginning, you want to be thinking about how to remove dependencies on others. If you fail, it should be because you couldn't deliver, not because someone else couldn't deliver.

> ***A man goes to the doctor. He holds his arm extended away from his body and rotates the arm 90 degrees. "Doctor Doctor" he says, "It hurts when I do that. Can you help me?." "Yes," replies the Doctor. "Don't do that!"***

Old not very funny joke (but, some truth in it!)

- **Take responsibility**. If your code is failing, say, "I have a bug. I'm on it." Do not try to sweep bugs under the carpet. Accept that

you goofed, admit that you goofed, and focus on getting a fix asap. If you get fired for the mistake, learn from your mistake and move on. But, do not hide. Bugs happen and the best engineers are going to make mistakes. The truly great engineers take responsibility for their mistakes and won't sleep until they fix them. If you're an engineering manager and a programmer always has good excuses for why someone else is slowing them down, or why bugs are always "the other guy's fault," send them to a competitor. They'll be happier.

- **Don't screw around**. Surfing the internet at work or chatting with coworkers is for losers. Return phone calls at lunch unless they are truly urgent. If you want to win you have to act like a winner.
- **Test by scaling back the code to something that works, and then come forward until it breaks**. Let's say you have an application with several thousand lines of code. You are writing the method that calls some API of Twitter's. For some reason you are crashing on the call. If I'm your manager and you come to me and say, "Twitter is causing my code to crash," the first thing I am going to say is, "Let me see your test case." If it is more than about 20 lines of code I am going to send you back to your desk. Almost always, the best way to find a bug is to reduce the amount of code involved. Typically, this means writing new code that will surround (exercise) the broken code. Engineers always fight this. They do not want to sidetrack to spend four hours writing some sort of framework to surround the broken method. Virtually all of the time when I kick these things back and force the engineer to lift the broken code out of the full application, the suspected-broken code works, or the bug is quickly found. A bug lost amongst thousands of lines of code is virtually impossible to find. But, when you reduce it to 50 to 100 lines of code, the bug will be found in minutes. Do not fear sidetracking for a few hours to create a "test bed" (framework) for solving a stubborn bug. It is a solution that works 99% of the time.
- **Avoid writing code that is tied to performance times.** Sometimes you will run into code that is based on a time interval. The most egregious example, and the one I see most often, is code that waits for half a second for some other task to complete, and then assumes it has. The code invariably works on the engineer's machine, but then blows up out in the field when the internet connection is slower or the user's computer is an antique. The only thing worse than code with a bug is "code with a bug that only shows up under certain conditions." These kinds of bugs are a nightmare to find and tie back to code that was written

assuming a certain set of operating conditions. Proper code knows that some machines are horribly slow and some are lightning fast. Sometimes the internet speed is reliable and sometimes it is slow or the internet connection drops out randomly. Triple-A engineers use events rather than timers (like: Execute this when the i/o completes). When it is relevant, they will write automated stress test code to test what happens with worst case conditions. The goal isn't just to pass QA on the first pass, it is to have code that is bullet-proof when customers start using it. QA is never going to know your code and how to break it as well as you do. Be ahead of the game.

- **Is the feature really needed?** If there is a particular feature of a product that is adding a huge amount of complexity, raise the issue and suggest an alternative way of getting the job done. If the feature must be there, it must be there, but that isn't always the case. No one will fault you for saying, "I think if we kill this feature, or do it in this other way, the code will complete faster and the final code should be more reliable." Later, if it turns out you were right and the feature you spoke about becomes Pandora's Box, you'll be remembered as the person who argued for an alternate simpler approach. Even though you are "just" the coder, don't be shy about questioning the design. That said, don't be annoying. Raise issues you see, and make sure you really understand what the code you are writing is trying to accomplish. But ultimately, once it comes time to get to work, put your head down and code.
- **Under promise, over deliver**. Don't be shy about giving a completion date. In fact, you should come up with two dates, the date you are going to finish, and a later date, which is the date you give to others. Once you give a date, you need to do what it takes to hit the date. If you have to sleep on your desk and never go home, do so. It will teach you to be smarter about the dates you give next time. Your boss may not like the date you give, but if you build a reputation for being someone who does what they say they will, when they say they will do it, you'll find that your efforts will be noticed.
- **Give people something to try as quickly as possible**. Inevitably, what people ask for is different than what they want. If there will be changes to the code you are writing, the sooner you know it, the faster the changes can be made. Think from the beginning of the project how to build a working prototype.
- **There is more than one way to skin a cat**. If you are banging your head against the wall trying to get something to work that should work but isn't: Find an alternate approach. Some battles

aren't worth fighting. Just do it the way that works and move on to the next battle. The goal is to win the war, not to win a particular battle.

- **Rules are meant to be broken**. Nothing I put here is cast in iron. These are general guidelines and every situation is different. So … break rules and do what gets the job done when you need to.
- And, always keep in mind: **Nothing is more important than figuring out what your boss wants and giving it to them**. If your boss wants you to do something stupid, do the stupid thing better than s/he ever imagined possible. Even when you are going the wrong direction, if it's the direction your boss wants to lead you, that's the direction you must go. Feel free to argue why you think something is wrong, but when it comes time to get to work, do not ignore the wishes of your boss and do it your way anyhow. If you do, you may get the job done, but you will have alienated your boss and will not get promoted. Bosses are not always right and will sometimes ask you to do things that don't make sense. If after talking to them they insist on moving a certain direction you don't like, you have two options: Get on the train or get off the train. Up to you. But, fight the system at your own peril.

I'll finish this chapter with a parable that was given to me and attributed to Edsger Dijkstra, an early computer scientist. I've found no evidence that this parable has any factual basis, or anything to do with Mr. Dijkstra. But, I liked the story and if you ever worked for me in quality assurance, you've already heard this story WAY too many times.

Edsger W. Dijkstra (1930-2002)

Who perhaps had nothing to do with this story,

but, why let that hurt a good parable?

Back in the days before general purpose computers, a gentleman named Dijkstra built a machine that multiplies numbers. The Danish government wanted to buy the machine but needed certainty that it could be trusted. A Quality Assurance (QA) team was assigned to "test" the machine. The QA team started multiplying numbers and after two weeks of: 1x2 = 2, 1x3 = 3, … 2x3 = 6, etc they had gotten to 120x12 = 1,440 when the government agents lost patience. The QA team shrugged and said, "What else are we to do?" And, Dijkstra started sweating. This was a big sale for him, and he needed the money. He begged the government to complete the sale, but, no luck. Finally, weeks later, as the team was just getting started on multiplying four-digit numbers by single digit numbers, and Dijkstra's wife had barred him from their shared bed, Dijkstra decided it was time for him to dig deeper for a way to speed up the testing.

This is when he had an important revelation.

"There are an infinite number of numbers. You can't get there from here by multiplying all of the numbers. The project would take an infinite amount of time," said Dijkstra. He knew the QA team was on the wrong track. He spent some time thinking about how to help the team, knowing his marriage depended on it. What about randomly generating numbers? Perhaps if the team randomly generated 1,000 numbers, and the machine correctly produced the result, could it be said definitively that the numbers in between would also be correct? "Maybe," responded the government.

Finally, after a bit more thought, he came up with the following test:

- Multiply 0 by a randomly selected positive number
- Multiply 0 by 0
- Multiply a randomly selected negative number by 0
- Multiply two randomly selected negative numbers
- Multiply two very small randomly selected (like .00000000000123) positive numbers
- Multiply two insanely large randomly selected (like -123937983416125371) negative numbers
- Multiply a very small randomly selected negative number by a very large randomly selected positive number
- Multiply two whole randomly selected numbers

This test took about 5 minutes, and Dijkstra was able to explain mathematically to the government why an “absolutely positive certification of correctness” was physically impossible, but that this simple test was VERY much more likely to spot problems than six more months of randomly selecting values.

The government bought the machine, and Dijkstra was happy, as was Mrs. Dijkstra.

They soon had a son.

(1981) Crazy Times, Lawyers, Hackers and a Hot Tub

Chapter 14:

> ***"Where I live in Oklahoma, it's all ranchers. My friends are all cowboys and pretty rough guys. If I had a hot tub back there, I may as well have Richard Simmons come over and live with me."***

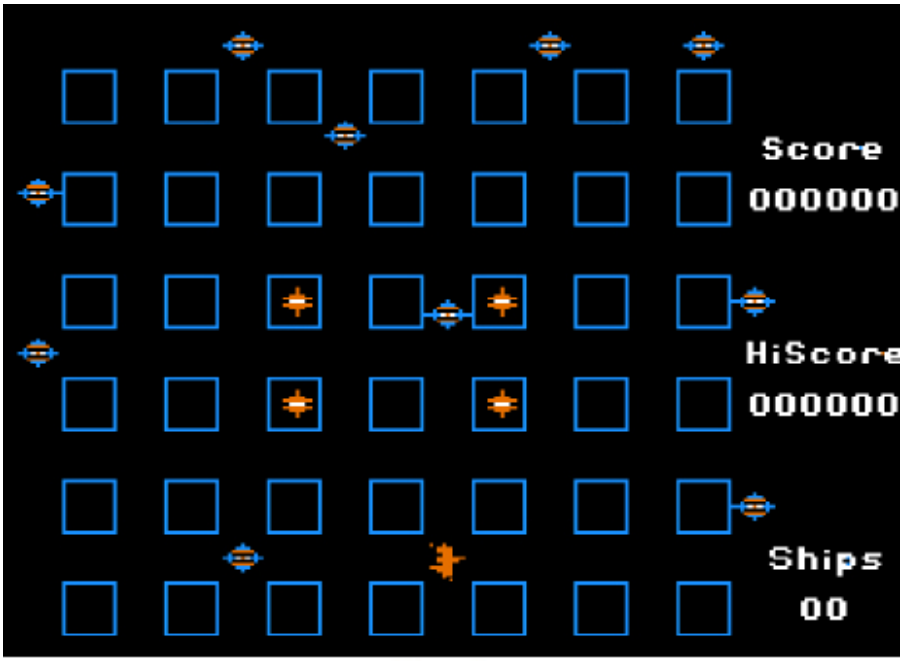
Blake Shelton

I'm a paranoid person. From the first day I quit my job to start Sierra, I worried about having a long-term stream of money rolling in. It never felt like the company could last forever on adventure games alone. We needed a broad revenue base.

There were also opportunistic reasons for having a broad revenue base. I had an open distribution channel begging for product, and knew that if I didn't fill that demand, someone else would.

Crossfire by Jay Sullivan

Addictive early action game on the Apple][



Crossfire

One of Sierra's first action games was developed by Jay Sullivan, an engineer I had worked with at Informatics. It was a simple, but addictive little action game called *Crossfire* that Sierra updated a few times over the years.

Sierra's ripoff of Pac-Man

Who knew about copyright infringement in those days?

I ran an ad in a computer publication seeking products. All I had to do was open the mail each day and there would be more products to sell! It doesn't get much easier.

One submission was a nearly perfect clone of the quarter arcade game, *PacMan*. I don't remember ever thinking about whether or not I should publish the game. The author, Olaf Lubeck, sent it to me. I sent him a contract and we started selling it.

It didn't take long for me to get a nasty letter from Atari's attorneys insisting that I remove the product from the market immediately. But, Gobbler was a hit and I didn't want to lose the revenue.

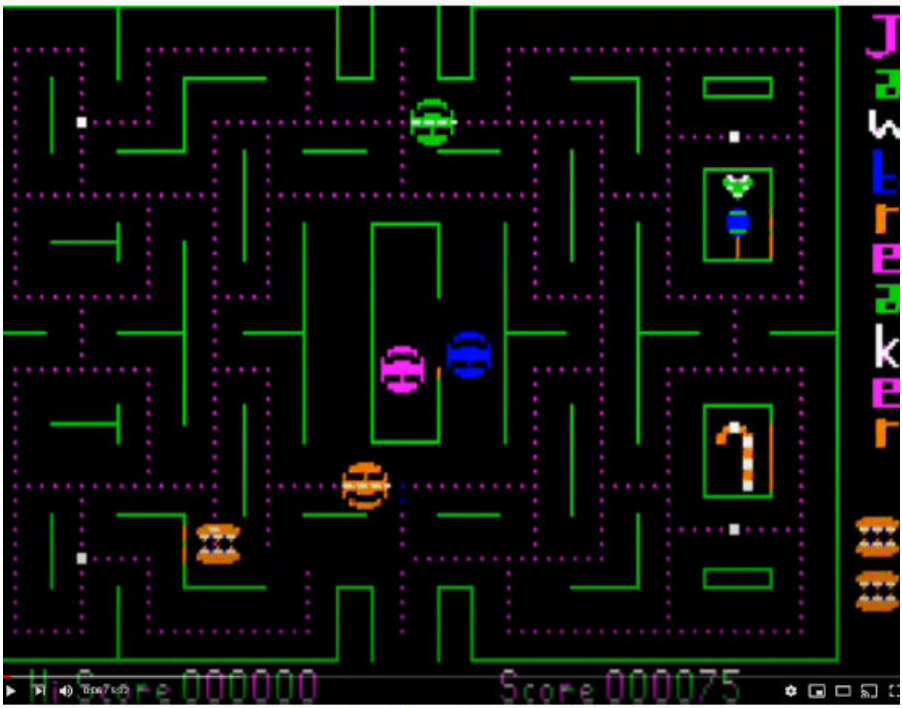
I had already started one of our programmers, John Harris, working on an Atari conversion of *Gobbler*.

John Harris, Atari Programming Guru

Wrote Jawbreaker and Frogger Arcade Games

This is when my brother, John Williams, had a clever idea. Atari was claiming copyright infringement, citing that they owned the ghost characters. John said, “What if we were to replace the ghosts with happy faces, and have a set of teeth chasing them through the maze?” As different levels were completed we could do cute animations with a toothbrush appearing to clean the teeth and set them off on a new round of chomping.

I spoke to the lawyers who agreed with the idea. I went back to Olaf and had him swap the graphics and create new mazes that were not copies of *Pac-Man*.



Jawbreaker, Sierra's Pac-Man ripoff,
modified to avoid copyright infringement. It went on to be a landmark lawsuit

Atari did sue, and it was an interesting case. Did Atari have the right to copyright game play? My lawyers said they didn't, and I was young enough and stupid enough to be willing to fight a large corporation in court. It was the ultimate David vs Goliath lawsuit; some kids in the mountains being sued by Atari which was a (comparatively) giant corporation at the time.

The case worked its way through the courts with Sierra winning at the state supreme court level. Despite our victory I pulled the game off the market and went on record as saying that I wouldn't want anyone to come as close to one of our games as we had come to *Pac-Man*.

Prior to release of this book, I sent my manuscript to ex Sierra employees, many of which have gone on to work at various other game companies. One of them sent me an interesting comment on the court case:

> ***"... the lawsuit with Atari. You give this just a few short paragraphs without touching on the importance of the lawsuit. But in my recollection. it was not just a look and feel lawsuit, but a ruling that set in stone forever that a play mechanic could not be copyrighted.***

> ***I believe this changed the video/computer games industry forever and quite possibly set the stage for the industry crash a year later. After you beat Atari, many companies were free to make derivative products with the same play-mechanic as hits which created the "same thing different graphics" glut and consumer fatigue that diminished demand. Atari's ET game gets far too much credit/blame for crashing the industry …"***
>
> **Ken A, August 2020**

The Atari litigation and this entire incident was documented in detail by Steven Levy, who wrote a book called "Hackers: Heroes of the Computer Revolution."

I'll digress for a few minutes to talk about Steven's book.

Prior to writing Hackers, Steven, who continues to be a very successful journalist, wrote for Rolling Stone. Steven had identified what he called "The Hacker Ethic" which involved coders creating, and sharing, free software just for the thrill of accomplishing something new and cool. Steven was way ahead of his time in identifying this trend. Today, there are many thousands of engineers who contribute their time, without a goal of making money, in order to participate in the development of products. In Steven's mind, I was a villain. I wanted to harness all this creative output and make money off it.

A third of Steven's book is devoted to the early days of Sierra and is very compelling reading.

I was hiring very young engineers, mostly ranging from seventeen to twenty-one. Programming videogames in those days had never been a career that programmers thought about. No experienced software developer would quit a steady job working for a "real" company to move to the woods to work for an upstart game company. To house the programmers that I hired, I rented one large house and loaded it up with super-intelligent young kids.

Try to envision what happens when you take a group of college-age males, sprinkle in lots of money, and have them live together in a small well-off-the-grid town. Or, save yourself the effort and watch reruns of the movie, "Animal House." Steven moved to Oakhurst during the time he was writing the book and even lived at the Sierra "frat house" along with the programmers.

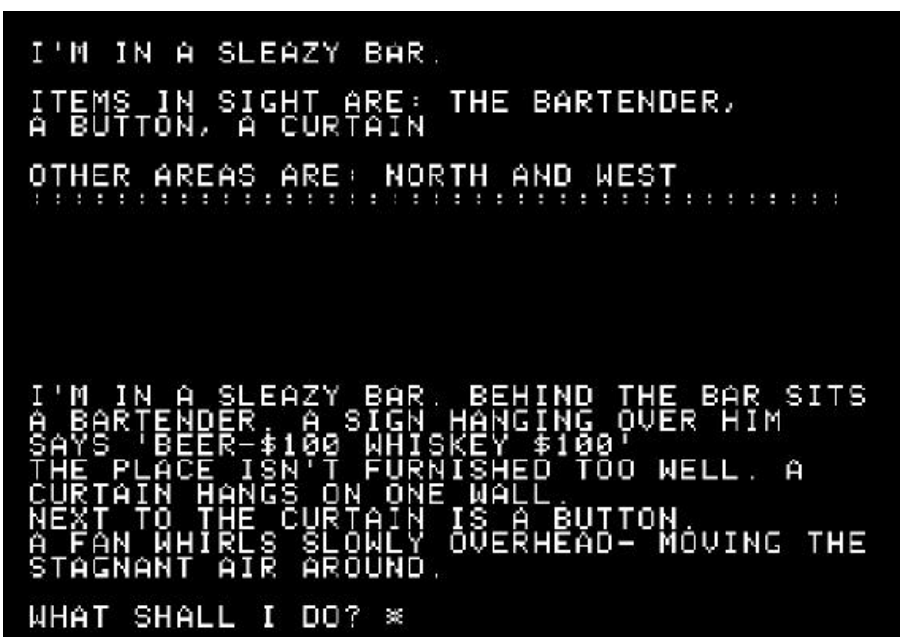
I suppose that I could deny having been a part of the fun, but then you'd read Hackers and know the truth. There are parts of Steven's book that I would quibble with, but overall, he got it right.

When Steven's book was released, my dad rushed to buy a copy. I should have been embarrassed, and to some extent I was. But, like I told my dad, "Who wasn't a dumb kid at some point? I just had the misfortune of having my childhood documented for the ages."

And, actually it wasn't a misfortune. As Miley Cyrus or the Kardashians might tell you, in the entertainment industry there is no such thing as bad press. Write anything you want about me. Just don't misspell my name. Advertising is expensive and inefficient, whereas press is free. I quickly grasped that concept and like any farmer who sees an attractive cow, I understood the benefits of milking it.

Speaking of which…

There was a game which had come in the mail that was a plain old text adventure game, with racy content, called "*Softporn*."


I'M IN A SLEAZY BAR.
ITEMS IN SIGHT ARE: THE BARTENDER,
A BUTTON, A CURTAIN
OTHER AREAS ARE: NORTH AND WEST
I'M IN A SLEAZY BAR. BEHIND THE BAR SITS
A BARTENDER. A SIGN HANGING OVER HIM
SAYS 'BEER-$100 WHISKEY $100'
THE PLACE ISN'T FURNISHED TOO WELL. A
CURTAIN HANGS ON ONE WALL.
NEXT TO THE CURTAIN IS A BUTTON.
A FAN WHIRLS SLOWLY OVERHEAD- MOVING THE
STAGNANT AIR AROUND.
WHAT SHALL I DO?

The name was racier than the game. It was not a porn game, and wasn't even a soft porn game, it was just a funny game that was fun to play. If made into a movie or TV show, it would have been rated PG or PG13.

But, it wasn't a TV show or movie. It was a game for the Apple

computer and it was unlike anything that had gone before. I knew instantly that it was something that would quickly catch lots of free "Word of Mouth" and media attention.

I agonized over whether or not to publish the game. And, after 30 or 40 seconds of heavy agonizing I had an idea.

"What if I put pictures of some sexy ladies on the cover?" We had a redwood hot tub at our house and it was quite photogenic. I had the idea of taking pictures in the hot tub for the product packaging and the advertising. When I mentioned it to people at the company several women immediately agreed; among them the wife of our production manager (Diane), one of our game designer's wives (Susan) and my own wife! (Roberta).

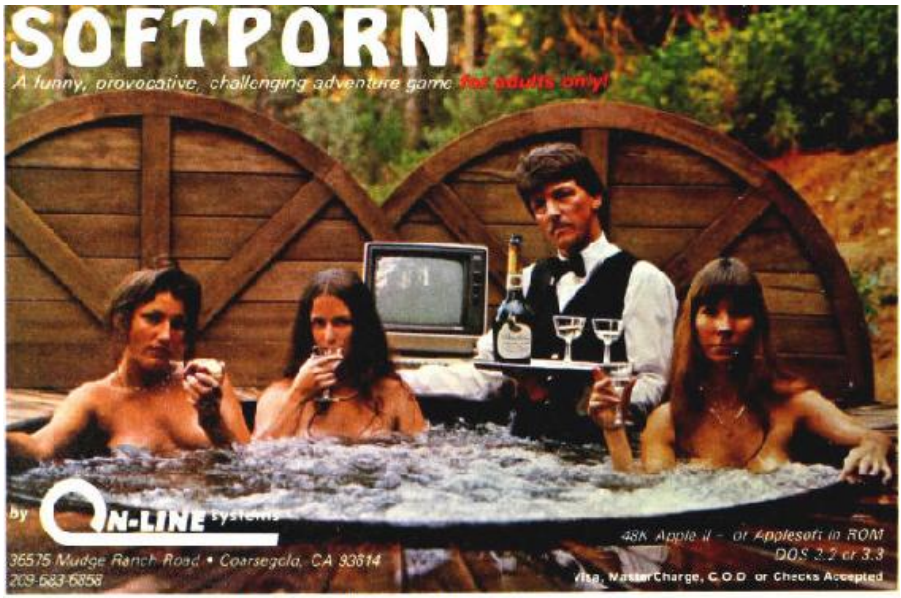
I wanted to capture the fun of *Softporn* and suggested a waiter named Rick at a local fancy restaurant, The Broken Bit. Rick had a distinguished look, and dressing him up in his work clothes, serving drinks to the girls in the hot tub, would make an incredible ad! I called the local newspaper and spoke with their photographer who agreed to come over to our house to shoot the picture.

Setting up for the big picture

That's me hiding in the back on the left

During an interview Roberta was asked, "How did Ken talk you into participating?" Her answer was interesting, "What makes you think it

wasn't my idea?" Roberta is not naive. She understands quite well that there is a correlation between getting free press coverage and revenue.


SOFTPORN
A funny, provocative, challenging adventure game for adults only!
by ON-LINE Systems
36575 Mudge Ranch Road • Coarsegold, CA 93614
209-683-6858
48K Apple II - or Applesoft in ROM
DOS 3.2 or 3.3
Visa, MasterCharge, C.O.D. or Checks Accepted

The "infamous" picture used on the Softporn packaging

Time magazine showcasing Sierra's Softporn game helped make it an enormous hit

The ad and the product were an instant hit! We received millions of dollars of free advertising.

The name was a bit of a problem, as was the lack of graphics. Some retailers would not stock a product named "*Softporn*" no matter how much I argued that the content was mostly PG rated. And, of course it seemed wrong that a company which had been started with a graphic adventure game was selling an adventure game without graphics.

Despite the name and behind-the-times technology, *Softporn* sold for several years.

Years after *Softporn's* release, someone had the idea to re-release *Softporn* as a graphic adventure. My brother John says it was his idea, and he may be right. John and Al Lowe, who ultimately redesigned and upgraded *Softporn* each claim credit for coming up with a new name for the game.

Al Lowe is the genius comedian who converted *Softporn* into probably the best known game series Sierra ever launched. Even now, when I tell people I used to have a game company, and they ask what games we did, the name most likely to get recognition is:

Leisure Suit Larry in The Land of the Lounge Lizards.

Leisure Suit Larry, loosely based on Softporn,
but greatly enhanced and with added graphics

Of all the games Sierra ever produced, *Leisure Suit Larry* was always my favorite.

I took a special interest in the *Leisure Suit Larry* series, and even did some programming on the series over the years.

Unlike movies, there was no rating system for games. I've always thought children should be protected from adult content. One day I came up with the idea of putting a quiz at the start of the games. The idea was that the game could ask questions drawn from the headlines and if the player couldn't answer the questions the game would refuse to load. The trivia game itself became something fun to do, but we goofed and forgot that these games would have a long life. I remember that one of the questions asked the name of Senator Gary Hart's boat (a major headline at the time, as he overnighted on his boat, Monkey Business, with his alleged girlfriend). At the time, everyone over 18 years of age knew the answer. Today, you'd need to be over 65 and have good memory.

Even before the phrase #metoo became a household word, there was sensitivity around *Leisure Suit Larry*. My guess is that if you agonize over every line of dialog in a *Leisure Suit Larry* game you can find some line, probably several, that can be interpreted as sexist. The same is probably true with every risqué comedy movie or TV series ever made. My thinking was always that *Larry* was funny, and that both Al Lowe and I had incredibly strong wives. Sierra certainly had no lack of women in powerful positions, and the whole joke in the games was that *Larry* was a lovable loser who could only dream of

catching a sexy member of the opposite sex. The joke was on *Larry*, not the women. I'd also point out that I watched and spoke with many women who played the game and none seemed offended. And, ultimately, *Larry* could easily be compared to movies like *Ferris Bueller's Day Off*. If I were making films would I have made that film? Would you? Of course! Audiences loved it, and no one crammed it down their throats.

In fact, it had never occurred to me that anyone might be offended by *Leisure Suit Larry* until one day something happened that made me realize that *Larry* might be a problem for some people.

Roberta and I were at a local Thai food restaurant on Mercer Island, near Sierra's offices. We were sitting in a booth enjoying our lunch when we overhead some ladies talking in the booth behind us. We kept hearing Sierra mentioned and their voices rose as they started talking about *Leisure Suit Larry*. One of the ladies was clearly unhappy. She was saying that she had been assigned this disgusting game and wanted to quickly get off the assignment and on to something better. We quickly understood that this was a group who represented the ad agency working on promoting the *Leisure Suit Larry* game.

Roberta and I were embarrassed but did not say anything or identify ourselves. I thought about saying something and was positive that the ladies didn't "get it" as to the game. I was convinced that if they would sit down and play the game they would realize that it was just good clean (but racy) humor. Instead, I took the cowards way out and returned to the office to complain to our Marketing VP. If someone wasn't passionate about the *Larry* game, how could they possibly generate excitement amongst its customers? I never heard what happened, but assume the agency was fired.

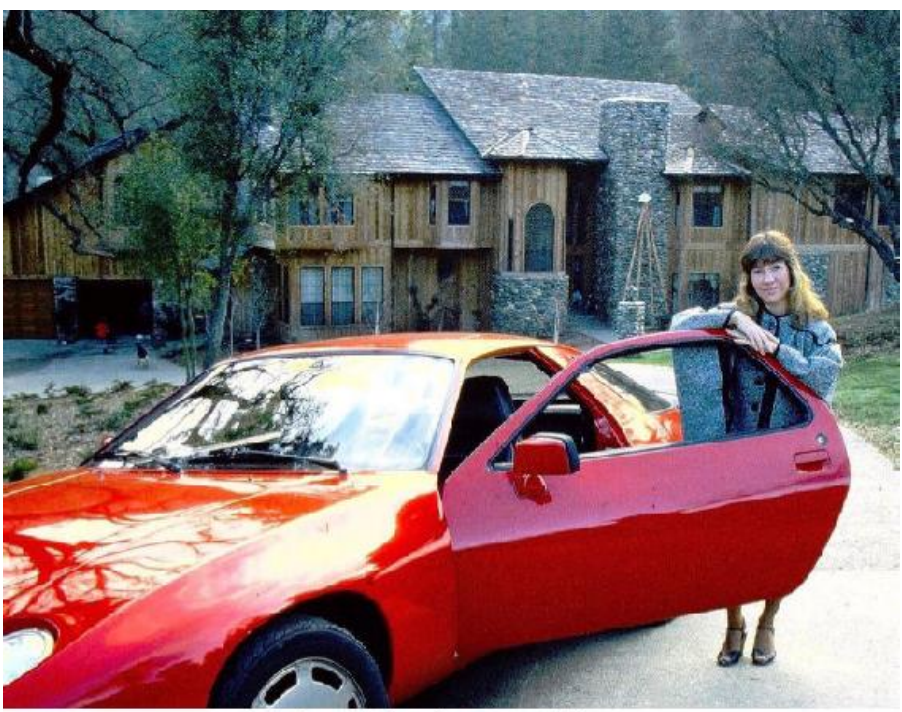
In the years since, there have been several attempts to create sequels to the series, and other than the games Al Lowe developed personally, I believe they have mostly disappointed. It's a tough balancing act to produce a game which understands the distinctions between risqué, sexy, raunchy and sexist. Al nailed it, and why he hasn't been tapped to carry on the series I do not know. Whatever happens, I hope someone some day figures it out. I miss the old games!

I will close out this chapter with a fun memory from those days…

I had always wanted a Porsche. I tend to drive like a 100-year-old person who is loaded up with sleeping pills. A fast car is wasted on me, but I wanted one anyhow. Why not? The company was doing

well!

I loved our hot red Porsche but noticed that every time I drove through town, or made the long drive to nearby Fresno, I'd quickly be followed by a policeman. I felt secure I wasn't doing anything wrong, so it didn't bother me, but I didn't understand the interest. This continued until finally one day I briefly, and accidentally, drove five miles over the speed limit. I was ticketed immediately. I then heard the rumor that my ticket was a cause for celebration at the local police station. One of them had won money! The cops had each pitched money into a pool to see who could write me the first ticket. When I heard this I decided to fight the ticket! I explained what happened to the judge. He asked the officer if there had indeed been a bet.



Roberta and our home near Oakhurst

Sheepishly, the officer fessed up and my ticket was forgiven.

- INTERLUDE -

(A brief pause in the story, so I can wedge something in)

Chapter 15: Sierra's Unique Marketing Strategy

> ***"Do what you do so well that they will want to see it again and bring their friends."***
>
> **Walt Disney, Co-Founder of The Walt Disney Company**

When most people think about Sierra's past they remember us as an "Adventure Game Company."

I'm not opposed to that, but it's not at all how I remember the company.

To me, Sierra was a marketing company. Lots of people can design products, code products, advertise products, and sell products. But, what really lifted Sierra above the pack, and the reason you are reading this book twenty-five or more years past when the Sierra I knew died, was our marketing.

As we talk about Sierra's marketing strategy, I should preface this by saying that it may or may not match the traditional college definition. I dropped out of college and never took a class in marketing.

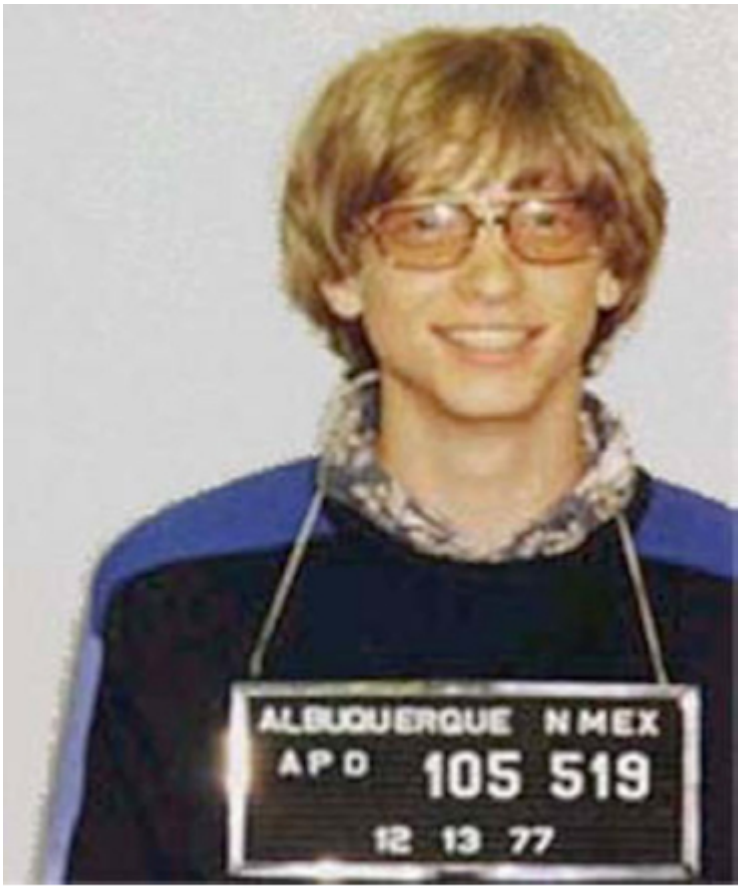
I knew that I was young and uneducated, and in over my head. It really was "on-the-job training." To compensate, I read entire shelves of books at bookstores that were filled with self-help books, much to the frustration of those who reported to me. There are a lot of books that talk about how to run a business. I especially liked the ones written by corporate CEOs who had run rapidly growing businesses. The thing that my team didn't like was that I tended to manage according to the book I read most recently. I was often accused of giving them whiplash as I'd argue one way this week and another the following week.

My early sales training helped, as did all those accounting books I read as a teen. It also helped that I had worked for some of the early direct marketers (such as Frederick's of Hollywood, a catalog-based

retailer of lingerie) organizing their mailing lists.

Early on, I picked two companies as Sierra's role models: Microsoft and Disney. I read every book written about these two companies and studied their every move.

Microsoft as a role model



A young Bill Gates

Microsoft was a different company in the early days. They were far more personality driven. The Bill Gates who is today a wealthy, caring philanthropist was a much different person. We've only interacted a few times, so I make no promise that anything I say about him is accurate, but my perception was that Microsoft was heavily driven by Bill's personality. Bill was a hardball player who played to win. He was ruthless and intense.

Bill, in those days, was not "politically correct" and it was a style I

tried to emulate. If he walked past a programmer's screen and saw code that looked like crap, he did not work through the chain of command, he said, "That looks like crap!," or "I could write that in BASIC in a weekend!." If something pissed him off, he said so. And, Bill was smart AND technical. He wasn't just an MBA business guy who ruled from a distant ivory tower.

One major idea I tried to emulate from Microsoft was to identify proven businesses and then launch products into them, making a long-term commitment. If Microsoft came after you, their release 1.0 of a product might be horrible, but you could bet there'd be a release 1.1, then a 1.5, and a 2.0 and somewhere along the line you'd discover that you were losing marketshare and that Microsoft was eating your lunch. Microsoft was competitive and ferocious. It certainly helped that they were there at the beginning, but have no doubt, Microsoft "won" because they outsmarted the competition.

> ***"Microsoft, where quality is priority 1.1"***
>
> **A software developer's idea of a joke**

Amusingly, in those days, Microsoft developed a kind of evil empire reputation. The "cool" people thought Microsoft was not "nice" like Google (who promised to do no evil) or Netscape (who believed in free code).

Times have changed.

From Microsoft I took several ideas:

- Pick your categories and work through continual improvement to own them over time.
- Business is war.
- There is benefit in having people skilled in technology at the top of an organization.
- It's ok for the CEO to have strong opinions.

Disney as a role model

During my teen years, I won many trips to Disneyland by selling papers. Today, I think of Disneyland as a theme park that costs money and has "rides." But, not then. I was completely bought into Disneyland as a magical place. Once you were inside the park there was a special feeling. The world felt brighter.

Much of Sierra's marketing strategy came from my emotional ties to Disney. Their image has been a bit tarnished since then, or at a minimum, "diffused." Or, maybe I've just gotten older.

Sierra's marketing strategy was modeled on two companies: Microsoft and Disney

Back then, when people would hear the name Disney it had real meaning. There were the characters, Donald Duck, Mickey Mouse, Pluto, Winnie the Pooh, etc. But, as important as those were, was the reputation for quality. If something had the Disney name on the front you didn't need to open the box to see what was inside. You just knew that it would be good.

I wanted people to think of Sierra with that kind of passion. This feeling of brand identification was important to me, and formed the basis of everything we did.

From Disney I took several ideas…

I remember reading about Mike Eisner, the CEO of Disney being compulsive about reviewing everything that customers would see. I once read that Eisner had a chandelier, from a Disney cruise ship, sitting in his office during an interview. He demanded to see the lighting fixtures personally before the public did.

All Sierra packaging had to be approved by me personally. I looked at every line of copy on every box. I looked at the instruction manuals. I read all of the mailings that were sent to customers. If a customer was going to see something, I wanted to see it first, and it drove people in the company crazy. I was frequently on the road and in those days

you couldn't email PDFs around like you can today. Marketing was frequently stuck waiting for me.

I also insisted on seeing everything with my name on it. We were frequently asked for quotes by journalists and marketing would write quotes for me that sounded "corporate." It was important to me that customers knew there were real people behind our products, and most importantly that Sierra was comprised of real people, with a real passion for the product, not some corporate machine.

There were articles at the time about Disney putting content into their films that would appeal to both children and adults, so that both could watch, and so that parents wouldn't be bored taking their children to a Disney film. I tried to infuse this into our products wherever it made sense. For example, Roberta borrowed this idea for her King's Quest series.

The biggest idea that we "borrowed" was the concept of creating characters and then leveraging those characters. People know Winnie the Pooh. If you launch a Winnie the Pooh product, be it a stuffed animal, a movie, or a video game, it has an extra responsibility to be good. Established brands make the marketing battle easier. Customers are out there know what the product is, know that they like it, and are eager for the next product.

Marketing at Sierra was all about building a reputation with customers that would cause them to look forward to the next product.

This was a multi-pronged attack.

I wanted the customers to identify with the values of the company. This was part of why it was so important for me to read every instruction manual, every package and every ad. I wanted customers to feel like they were part of a club that cared about them. And, in fact, we were. I sought people who were passionate about the products they were producing and who were gamers themselves. For customer support, I sought people who seemed passionate about having happy customers. I empowered them to give a customer their money back regardless of whose fault it was. One rule we had at Sierra was that all customers have to be happy. If we sold a game into distribution for $25, and the local retailer paid $30 for it, and the customer paid $50, and thought the game wasn't up to their expectations, even though they finished it, we bought it back for $50 plus gave them a rebate coupon for their next game. At Sierra, our reputation for quality and customer happiness was everything. We

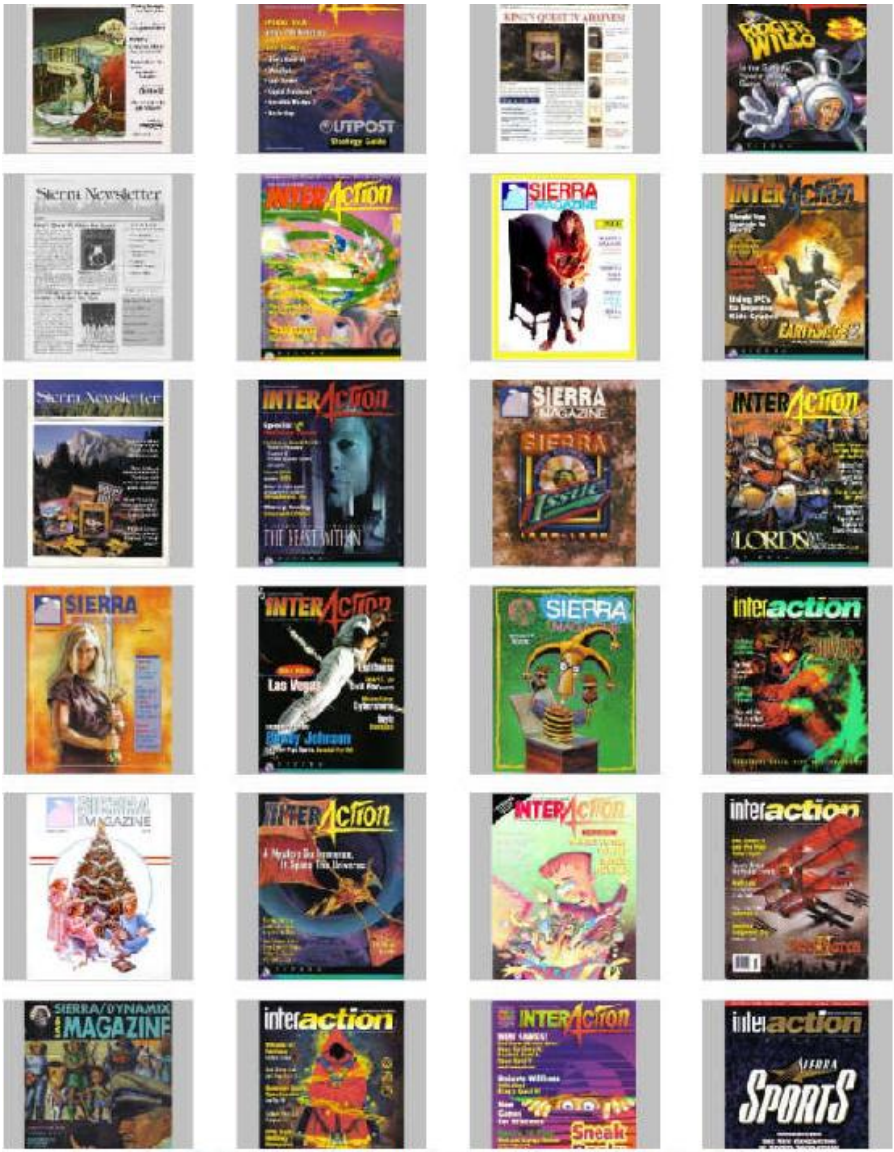
protected our customers and they took care of us.

Part of our special relationship with our customers was giving them a backstage look at what we were doing. Not only did we publish a magazine (called InterAction) at enormous cost that went to our customers (no email in those days!), we had tour guides on staff who would guide customers through our offices. We put the tag line on our products, "…part of the Sierra family," and we weren't joking.

We were running a giant fan club in which we listened to what customers want, found people who were passionate about it to build the product, and then delivered it to our friends (the customers).

> ***We have to either look like we are IBM or not be there.***
>
> **Ken Williams**

It's funny that I used to refer to IBM in our marketing, but what I wanted to convey to our marketing group was my belief was that we either had to "go big or go home". If we were going to run an ad in a magazine it had to be in a preferred position; the inside front cover, or the back cover. When the back cover was already taken and couldn't be bought, I would run consecutive quarter page ads on a series of pages. It was important to break out of the pack and look special. Similarly, if we were going to be at a trade show, we had to look like a huge company, or not appear at all. After an industry show (eg.. CES) no one remembers the companies that weren't there, but if we were at the show with a tiny booth looking like losers, then they would remember that! It was a theme that ran through everything we did. We had to look like the winners we were, and if for some reason we couldn't do so, we wouldn't appear at all.



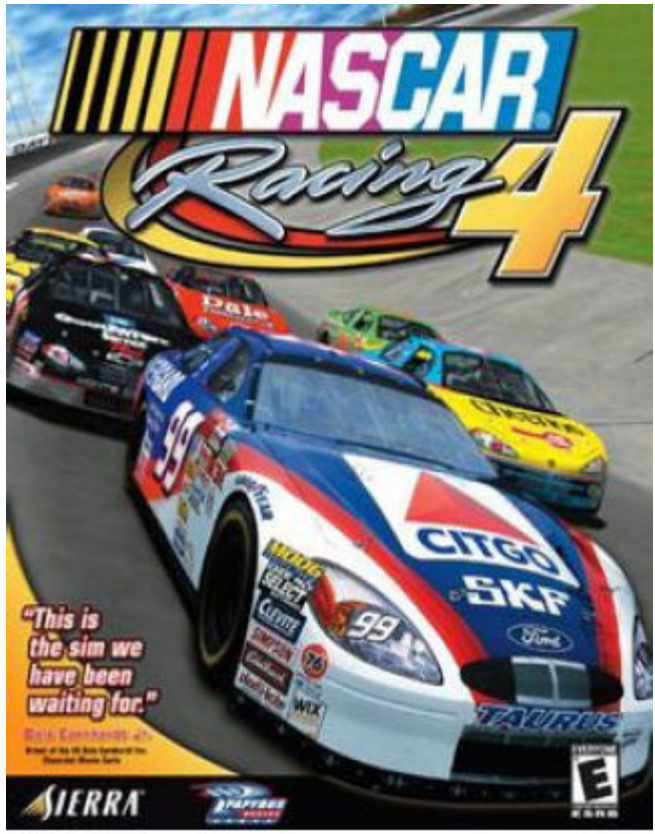
InterAction Magazine. Full color magazine. Expensive to print, but the secret weapon in Sierra's marketing arsenal

Sierra Designers

L to R: Mark Crowe, Lori Cole, Christie Marx, Warren Schwader, Scott Murphy, Roberta Williams, Al Lowe, Jim Walls, Bil Skirvin

Sierra's designers were not selected based on their college degrees, their track records, their sex, their dynamic personalities, their ability to write, their technical expertise, etc. None of the traditional values that might be perceived as important.

At Sierra there was only one requirement to be a game designer: You had to convince me that you lived and breathed the product you were making. You had to be the target customer with a vision for how it could be done better. I remember visiting a company called "Papyrus" in Boston who was making race car games. It was a small group who was 100% focused on car racing simulators. As I wandered around their offices, I saw tires from race cars in the developer's offices. There were driving simulators, that they had painstakingly built by hand, spaced around the office. These machines had physical steering wheels, foot pedals, gauges. After work the entire company would stay into the evenings to race against each other. It was the kind of passion I knew would build great games for race fans. I bought the company.



Nascar Racing, from Papyrus

A development group 100% focused on racing

The analogy I always used was the book industry. I had a list of favorite authors and I would read everything from those authors. If you are a Stephen King fan, you sit and wait for the next book from Stephen King. I knew that our designers were passionate about the products they were producing and that the target audiences for the products would relate to the designers. I wanted the designers to be a "brand" unto themselves. I knew that if I could put the designers in front of the fans, that the fans would be excited. They would see themselves in the designers and see someone who cared about the subject matter.

My designers were not "perfect" by traditional standards. Rather, they were "perfect" by Sierra standards, which are quite different. It's a tricky concept to convey, so I'll use an analogy from music. There are musicians who can play any music exactly as it is written. There are musicians who are technically flawless. But, the ones who make it big are not necessarily the ones who can "stay on beat" or "hit the highest

note" or "move their fingers the fastest." Music is an art. It's a relationship between the creator and the listener that touches some emotion in the listener.

My philosophy of game design was that customers will forgive about anything if they believe the person who created the game took it seriously. You can have misspellings. The game can crash. But, when it comes to nailing the subject matter, you can't screw it up. I used to describe playing a game as being like "having lunch with the designer."

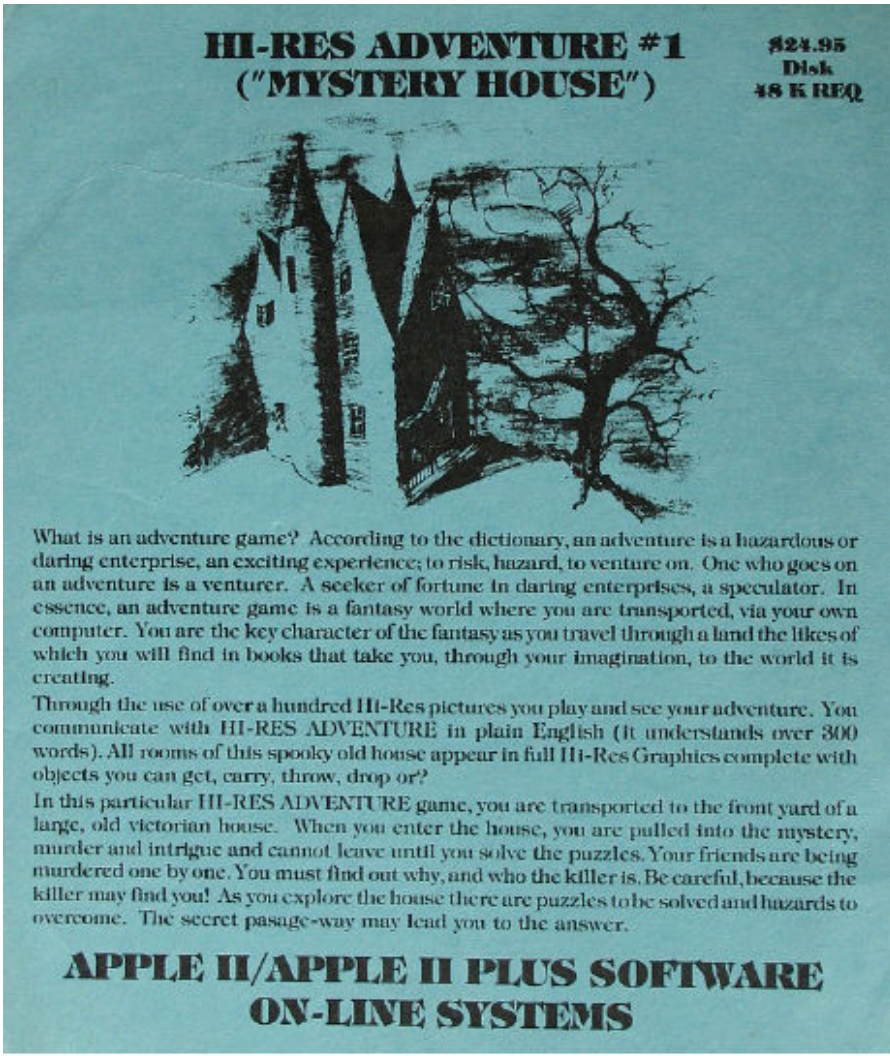
It may sound funny that I am talking about game design philosophy in a chapter about marketing strategy, but … the #1 marketing strategy at Sierra was to find the right designers, and empower them to produce their games, without muddying their vision.

That last bit of that last paragraph is more important than the three words imply, "… muddying their vision …." This was a battle I fought every day and was the piece of the puzzle over which I was the most protective. My goal was to empower people who were passionate about a product to bring it to market with as little interference as possible.

If we were producing a cribbage game, I didn't want some artist figuring out what the cribbage board looked like. I wanted my designer, who had to live and breathe cribbage, putting their personal mark on the product. Every detail, every piece of art, every game challenge, every piece of music, had to flow from the designer. If the music they picked was dumb and off key, it was their right and their design. This was a key reason that I pushed our having a tools group. I wanted non-technical people to be able to build a product. It was important to remove the technological wall between content creators and content consumers.

I wanted a designer who was passionate about something to be able to make their vision a reality with the least interference possible. I was into empowering an individual designer, not into producing a product that was a team effort. I constantly argued that if you were to take the two greatest book authors in the world and have them collaborate on a book, the result would not be as strong as their producing two independent books. Teams muddle products.

Another prong in my multi-pronged approach was "the series."


HI-RES ADVENTURE #1
("MYSTERY HOUSE")
$24.95
Disk
48 K REQ
What is an adventure game? According to the dictionary, an adventure is a hazardous or daring enterprise, an exciting experience; to risk, hazard, to venture on. One who goes on an adventure is a venturer. A seeker of fortune in daring enterprises, a speculator. In essence, an adventure game is a fantasy world where you are transported, via your own computer. You are the key character of the fantasy as you travel through a land the likes of which you will find in books that take you, through your imagination, to the world it is creating.
Through the use of over a hundred Hi-Res pictures you play and see your adventure. You communicate with HI-RES ADVENTURE in plain English (it understands over 300 words). All rooms of this spooky old house appear in full Hi-Res Graphics complete with objects you can get, carry, throw, drop or?
In this particular HI-RES ADVENTURE game, you are transported to the front yard of a large, old victorian house. When you enter the house, you are pulled into the mystery, murder and intrigue and cannot leave until you solve the puzzles. Your friends are being murdered one by one. You must find out why, and who the killer is. Be careful, because the killer may find you! As you explore the house there are puzzles to be solved and hazards to overcome. The secret pasage-way may lead you to the answer.
APPLE II/APPLE II PLUS SOFTWARE
ON-LINE SYSTEMS

Sierra launches "Hi-Res Adventure as a brand

Sierra started with Mystery House and followed it with The *Wizard and the Princess*. I quickly realized that people were buying The *Wizard and the Princess* because they had liked *Mystery House*. I somehow needed to tie them together so that we could make it easy for the customer to recognize that the two products were linked. Thus, I created the *Hi-Res Adventure* branding. Each new game in the adventure game series would be launched as *Hi-Res Adventure #2, Hi-Res Adventure #3*, etc.

Later, as we started vertically targeting the games, I realized that the buyer for *Leisure Suit Larry* and *King's Quest* were different, and instead started calling them *King's Quest I, King's Quest II*, etc.

The important concept was that Sierra would spend a lot of money to launch a brand, and be willing to lose money on the brand, but then if the brand succeeded we could eat off of it for a long time to come.

When asked what my goal for Sierra was, I had a consistent answer, “I want to create a company that will be producing products for my great grandchildren.” My goal was to create brands that were so entrenched that they became a part of the world culture. I wanted King Graham (a character in our *King’s Quest* games) to live forever, much as Mickey Mouse does.

That’s the saddest part of Sierra’s demise for me. This chapter about marketing is probably boring for many of you reading the book because it all seems like primitive concepts, most of which any Sierra fan could tell you. Our strategy was not a carefully guarded secret. Everyone knew it and if they didn’t I would tell them.

Yet, somehow, when the company was sold, and I was transferred away from Sierra, no one thought to ask what the secret sauce was that made Sierra so successful. There was never a moment when the new owners said, “Talk to me about what is important or what the product strategy is.” The result was a disaster of epic proportions.

But, more about that later.

Chapter 16: (1982) Venture Capital and The Board Meeting From Hell

> ***"You don't need to be a rocket scientist. Investing is not a game where the guy with the 160 IQ beats the guy with 130 IQ."***
>
> **Warren Buffett, Wall Street Investor**

Sierra's first two years were a blur of activity. We moved, we hired, we produced games, we marketed and we sold. We built a following and we had a lot of fun.

Our success was noticed both by customers, retailers and … the financial world.

Sierra's first investor and board member,
Jackie Morby, from TA Associates

One day in 1982 I received a call from Jackie Morby, from a company called TA Associates, saying she was a venture capitalist and she wanted to visit the company.

I had no idea what a venture capitalist was or why I might want to talk to one, but she was a good salesman, and I was always open to new ideas.

After a tour of the "company" (a bunch of poorly dressed and disheveled college dropouts) in a big room upstairs behind a print

shop, Jackie offered to buy me lunch.

Almost immediately when we sat down, the elegant lady and the hippie (me), she presented a term sheet. Apparently the decision had been made before she even reached Oakhurst.

Her proposal: She would give me a million dollars and I would give her 20% of the company.

I asked lots of questions because it just didn't make sense. She would have stock in a company that was effectively worthless. With only 20% of the company, she wouldn't be able to call the shots. She didn't want to have an office at the company. There was no requirement that we pay back the money. She asked that we establish a board and put her on it. I could put both Roberta and I on the board, which meant that she would be outvoted two to one if there was ever a decision to be made.

I asked for time to think about it and discussed the idea with Roberta. She was extremely skeptical and had a long list of questions for me. I relayed those questions to Ms. Morby and put her and Roberta on the phone.

It really did seem too good to be true. The only bad part was that the company really didn't need the money. We were pulling in lots of money. So, what would we do with more?

Roberta never did jump on the "venture capital" bandwagon. She remains dubious about its value to this day, and I have no doubt that if I were to ask her whether or not she would take venture capital, if we could go back and do it all again, she would say "No way!"

I, on the other hand, thought that it would be good for us. There was a side of me that knew that, for the company to realize whatever potential it had, it would need to stop just being "kids behind a print shop" and take steps to become a real company. Also, Ms. Morby was promising something I dearly needed; someone to talk to about business. I would be free to pick her brain and to speak with the heads of the other companies she invested in.

I can't say that Sierra or I always did smart things, but I can say that I usually had a good sense of what we should do and would try to point the company that direction. Venture Capital felt like a steppingstone towards becoming a real company.

So, we took the money.

As part of taking the money, Ms. Morby asked that we take some steps towards becoming a more professional company. At the time of her visit, there really was no corporation for her to invest in. We had been running out of our checking account. I had a “DBA” (Doing Business As) for my consulting business, called On-Line Systems, and that name was on our personal checks.

We needed to form a real corporation for her to buy part of, transfer ownership of all the games into the corporation, and then sell her some stock. With the help of lawyers she referred us to, all of that was quickly accomplished.

Unfortunately, during this process I discovered that there was already a large company that had our company name, “On-Line Systems.” I was very proud of my background dealing with networks and knew, even at the time, that networking would someday be key to Sierra’s future. I wanted to keep the “on-line” part of the business name. Renaming the company did not require a lot of creativity. We were located near Yosemite National Park in the Sierra Nevada mountains, near the famous landmark Half Dome. So, overnight we became Sierra On-Line, with Half Dome as our logo.

Once we had accepted venture capital, it became like any other drug. No one stops after the first hit.

In the year after we took in venture capital, we did grow. The actual numbers are long lost to history but my recollection is that we more than doubled our revenue.

We brought in a second round of venture capital. I don’t remember why, or how much, but it was more money at a significantly higher valuation.

We sold a tiny portion of our company to bring in a great deal of money, allowing us even faster growth.

One would think that we were growing fast enough, and that we were doing quite well, but our board, which was now loaded up with

several venture capitalists, wanted even more.

If the emerging computer industry were a highway to success, we were traveling in the slow lane. To our left were game companies that were passing us like we were standing still.

We were achieving dominance in the computer entertainment industry, but it was like being a big fish in a tiny swimming pool. The real action was happening in video games. Whereas tens of thousands of home computers were being sold, millions of video game systems were entering homes.

In just a couple of years the market for home videogame cartridges had exploded into a three billion dollar industry! By comparison, the market for games on personal computers was probably no larger than thirty or forty million dollars at the time.

Sierra's investors had bet on the wrong horse.

We were growing and profitable, but their perception was that we'd never be more than a cute little boutique company with no way of ever pulling their money out.

At our board meetings the message from the venture capitalists was clear: If we wanted to continue their support, and if we ever wanted to be a major player, we needed to stop farting around with making games for Apple computers and retarget our software development efforts at videogame cartridges.

ATARI
THERE'S NO COMPARING IT WITH ANY OTHER VIDEO GAME.
Only ATARI makes the games the world wants most. Games that are innovative. Intense. Incredibly involving. And totally original.
In 1980 ATARI invaded the minds of millions with Space Invaders.™ It went on to become the single most popular video game in the world and thereby launched the space age game category.
Today ATARI Missile Command™ and Asteroids™ are the fastest selling home video games in the country. And judging by its current success in the arcades, ATARI Pac Man™ is slated for the same next year.
ATARI

The Atari 2600 videogame system

Roberta and I had concerns about diverting our efforts into videogames, especially Roberta, who had counseled me not to do it, but I was swayed by the inescapable logic of the venture capitalists. We had a good gig going. But the numbers were unarguable, and the computer game market looked doomed.

Who would want to play a game on a computer when video game systems were more fun?

Video game systems were better set up for games. They had sound. They had color graphics. They had custom hardware which could handle the graphics, allowing faster animation. They came with joysticks and were easy to operate. They cost less. The games loaded faster. Videogames were quickly taking over the world! We had missed the boat.

The list of reasons why videogame systems were good was not quite as long as the list of reasons why I thought they were the wrong direction for Sierra.

- No one at Sierra had the vaguest idea how to program a videogame system.

- We were not set up as a developer with any of the companies making videogame systems.
- Videogame systems used cartridges to hold the games. The cartridges had to be bought from the manufacturers of the hardware at a very high price, and in large quantities. Whereas with a floppy disk based game we could ship it to the public the same day it was complete, cartridges needed to be ordered months in advance. And, whereas floppies cost $1.10 and could be duplicated based on demand, we needed to order many thousands of cartridges at a time costing $10 to $15 each. Ouch! It was a big money business in every sense of the word.
- Our games didn't really lend themselves to the target market. Adventure games were large and difficult to put onto a cartridge. They were played over multiple sessions and really required a way to "save game." On a computer there was a way to write to disk the player's game position, but not so with a game cartridge.
- We were legends in the computer market, and an unknown in the videogame world. No one in the "mass market" had heard of us. Instead of being Sierra with a capital "S" we were "sierra" with no recognition whatsoever competing against well funded companies that were already known to customers.
- And, the reason that hurt the most: We had built a company that was defined by the passion of those who were building games. Our developers liked what they were doing and the machines they were working on. They would do anything I asked, but their heart wasn't in building videogames. Why should they learn new hardware and programming languages to target a new machine they didn't know?

With 20/20 hindsight, I should have stuck to what we knew. Or maybe I shouldn't have. I just looked it up, and as I write this, in the year 2020, the videogame market is a 112 BILLION dollar business. That's serious money. Had Sierra grabbed a piece of that business, it would have been amazing.

What can I say? I was young and dumb and easily swayed by our venture capitalists. We raised another round of venture capital in order to fund a shift from personal computers to video games, shut down projects that were focused on building new games for computers, and got to work.

And, then this happened:

> ***The video game crash of 1983 (known as the Atari***

> ***shock in Japan) was a large-scale recession in the video game industry that occurred from 1983 to 1985, primarily in the United States. The crash was attributed to several factors, including market saturation in the number of game consoles and available games, and waning interest in console games in favor of personal computers. Revenues peaked at around $3.2 billion in 1983, then fell to around $100 million by 1985 (a drop of almost 97 percent). The crash abruptly ended what is retrospectively considered the second generation of console video gaming in North America.***
>
> ***Lasting about two years, the crash shook the then-booming industry, and led to the bankruptcy of several companies producing home computers and video game consoles in the region. Analysts of the time expressed doubts about the long-term viability of video game consoles and software.***
>
> **Wikipedia**
> **https://en.wikipedia.org/wiki/Video_game_crash_of_1983**

The world ended. Overnight, videogames stopped selling. Atari, who had been on top of the world, had spent a fortune to bring to market a videogame based on the hottest franchise at the time, *E.T.*, and wound up burying millions of cartridges in the desert.

Sierra was left with worthless videogame cartridges, no new games for the computer industry, no money in the bank, and no hope. And with all the rounds of venture capital, Roberta's and my ownership had plummeted. We went overnight from being a hot young startup to being deader than Superman caught swimming in a pool of Kryptonite.

By every definition, it was "game over."

The venture capitalists proposed a solution: Since their dream of Sierra becoming a big company had blown up, perhaps they could sell it or merge Sierra with another of their investments.

Sierra's venture capitalists tried to
unload Sierra by merging it with an educational company

At the board's request we spoke to several companies, including Mindscape and Activision, about merging. Our board's favorite idea was to merge Sierra with another company of theirs; Spinnaker Software. Sierra had a good reputation as a game company amongst buyers of personal computers and Spinnaker was in educational software. Spinnaker was losing big money in the personal computer marketplace at the time, and Sierra had diversified away from our core business and needed a restart.

Remember how in the early chapters of this book I described my heritage as coming from hillbillies and moonshiners in Kentucky? My vocabulary and accent reflected that heritage. I didn't realize that "ain't" and "cain't" weren't real words until well into my twenties. Add to this that living in the mountains had added a distinct hippie-ish element to my look.

When times are good, eccentricities are thought of as "special." When Elon Musk, founder of Tesla, was heard on Joe Rogen's radio program, high and smoking dope, investors frowned but pushed the stock even higher. They did it not because they liked Elon-the-druggie, but because Tesla was perceived as the next big thing in automobiles. His personal peccadilloes aside, Elon was creating something revolutionary and Tesla was growing. Investors will forgive anything in that scenario.

Sierra had a party reputation fueled by the book *Hackers*. With the crash of the video game market, our reputation was suddenly a dominant issue..

Spinnaker, on the other hand, oozed professionalism. Their founders, Bill Bowman and David Seuss, were Harvard Business School graduates. If I wore a suit, I would look silly. They wore a suit and looked like an ad for GQ magazine. It's probably also worth noting

that they were Boston based. There is a big difference between the east and west coast of America. Oakhurst represented a third culture that fit with neither.

Roberta and I knew that our next board meeting after the crash was going to be nothing short of a mugging. The Spinnaker guys had been invited to the meeting to present a pitch on how great they were.

It wasn't really a David vs Goliath situation. Spinnaker and Sierra were each disasters in our own way. It was more David vs David. Or, as someone said at the time, "If you put two turds in a bowl, does it really smell any better than with just one?"

Spinnaker's reputation at the time was as a company that was trying to do everything perfectly. They hired the best ad agencies. Their management team prized itself on the number of MBAs. They ran ads in mainstream media at enormous cost. Their educational products were designed using focus groups of educators. All of this required big money and they had the silver tongues that brought in the big venture capital.

Whereas the Boston culture played well with the venture capitalists, within the industry Spinnaker was not well respected. Computer games were a small business and education was a smaller business, and somehow, even with all the testing they were doing, they forgot that the software had to be fun when it reached the customer.

The two companies were Yin and Yang. The venture capitalists had lost their money on both companies, and yet they did seem bought into the concept of multi-turd bowls.

Our board meeting was to be in San Francisco at a fancy hotel. The meeting was at 10am and I was there at 9:45 wearing my poorly fitting suit. The Spinnaker guys were in the hallway, looking important talking to the venture capitalists, while I was at the other end of the room feeling a beaten man.

Before I left the hotel room Roberta had already made it clear that she did not want to meet with Spinnaker. She refused to come to the meeting and stayed behind.

I apologized for Roberta's absence and we started the meeting with a formal presentation by Spinnaker. As one would expect, their slides were perfect. An ad agency had obviously been used to put them together. I watched and wondered how much they paid, as I prepared to bend over and grab my ankles.

Around 10:45, as they were wrapping up their presentation, Roberta made her entrance.

Before I describe Roberta's entrance, I'll set the scene she was walking into. We were all sitting at a boardroom table. There were five male wall-street type investors, all in suits, Jackie Morby our original investor in her powerful-business-woman-from-Boston business suit, the two fancy Harvard Business School guys from Spinnaker, me in a suit and a projector on a table.

Into the room sauntered Roberta, wearing classic game designer attire; a black blouse, designer jeans and designer boots. Roberta said loudly, "Good morning!" in a cheery voice. Then, "Where's the coffee?," and after being welcomed to the room she moseyed over to a coffee pot at the back of the room and poured herself a cup of coffee, slowly mixing in sugar and cream, as people in the room waited politely.

Finally, Roberta turned to the room and asked, "What are we talking about?" She knew what we were talking about but wanted someone to say it. I bit the bullet and said, "The management team from Spinnaker is here to talk about their company and see if there is anything we should be doing together."

Roberta answered bluntly, "That would be a waste of time to discuss. These guys are a joke. No one in the industry respects them. Can't we talk about something productive?" I was mortified. The board was in shock. The Spinnaker guys were embarrassed. Had I thought of hiding under the table, I would have done so.

Instead, I tried to defuse the situation and said, "Spinnaker is almost done with their presentation. Let's let them finish and then talk." The guys quickly rushed through their slides. When they finished, I spoke a little about Sierra and our history. I don't remember what I said, or what people thought. No one was listening. All eyes were on Roberta.

At the end of the presentation, the venture capitalists, several of them, I don't remember exactly which, turned to Roberta and tried to get her to listen and 'understand', but she felt they were talking to her like she was a 'stupid girl' who needed to be 'educated.' It didn't matter because she knew what she was going to do, and was just waiting for the right time.

Finally, Roberta said, "Well, we're not selling our company and we're definitely not merging with Spinnaker." And she said it forcibly, followed by, "Ken and I still own more than 50% of the company and

you need BOTH of our signatures and I'm not signing!" And then she stood up and said, "We're leaving." She looked directly at me and Bob Schneider, our company lawyer. She didn't know if I would stand up and walk out with her, but I did, without a word.

As Roberta had said, we had all the power and could tell the venture capitalists to pound sand. That was the good news.

Our home in Oakhurst. Nine acres of riverfront property

The bad news was that we were out of money and had a large payroll. We had grown to over 125 employees, all of whom were hoping for a steady paycheck. We were worse than broke. We had signed a big lease on a new office building. We had built a large home. I had a new Porsche. Etc.

No one expected the crash. It came suddenly and fiercely. We were ruined.

Roberta was right. Spinnaker would have been a disaster. There were other companies that might have been a better solution and have a greater chance of working, but we were out of time.

We had a pissed-off Board of Directors. Weeks before, they had been telling their investors how great we were. Now, our market had collapsed, and in their eyes, any hope of salvaging their investment was gone.

The board voted to remove me as the Chairman of the Board (they outvoted us on the board even though we held more than 50% of the stock). It really didn't matter, in that they viewed Sierra as a complete write-off and wouldn't be wasting money on plane tickets for future board meetings.

I was a wreck because I knew what this meant for me. I had to go back and tell the majority of our one hundred and twenty-nine people that their jobs were gone. I had never laid anyone off. I had never failed. We had no money and not much revenue coming in from selling products.

Roberta and I talked about what to do, and over the weekend we built a plan.

That coming Monday Roberta and I started the process of borrowing against our credit cards, borrowing against our home, and I laid off one hundred employees.

A layoff in Oakhurst is not like a layoff in most cities. Sierra hired most employees from other distant cities and relocated them to Oakhurst. This meant they had moved their families, rented or purchased a home, and suddenly had no job, and no hopes of finding a job without moving to some big city. There were few, if any, other jobs for them in Oakhurst.

The layoff was a life changing disaster for Sierra's employees, and a wake-up call for me. It was the first time I realized that this wasn't all fun and games. These people were not just employees, they were my friends and had bet their careers on me, and I had failed them.

Rather than meet with employees one by one, the layoff was done in a local movie theater. All employees were invited to the meeting, and I had to stand at the front of the room and explain that it was game over. I would be passing around envelopes with the employee's names on them. One hundred of those envelopes were layoff notices along with a final check. Twenty-eight of those envelopes said, "See you tomorrow." There was no severance pay, and within minutes the parking lot was filled with crying people. We kept only a skeleton crew of thirty people, including Roberta and I, and an unlikely hope that our Phoenix would rise from the ashes.

- INTERLUDE -

(A brief pause in the story, so I can wedge something in)

Short Takes

Chapter 17:

> ***"Write a short story every week. It's not possible to write 52 bad short stories in a row."***
>
> **Ray Bradbury, Science Fiction Author**

I am writing this book thirty years after most of the events in this book occurred.

One of the reasons I am writing the book now is that I am starting to forget Sierra. I remember the big things such as the strategies and the major hits, but when people ask me about specific games I often have to respond by saying, "Was that a Sierra product?" It's not that I'm losing my memory; my memory is as good as it ever was. It's just that I don't often think about Sierra and the old memories have been replaced by new ones. Most of my time these days is spent focusing on Roberta's and my new life as world cruisers (we circumnavigated a small boat).

In this chapter you'll find a random collection of memories from Sierra. The events here come directly from my memory and none of the memories are particularly strong, so if I have mixed up the facts, you have my apologies.

Here are a few short and random memories that didn't seem to fit elsewhere…

Richard Kiel

There's not much I have to say about this picture other than that is a very fun picture. Richard Kiel played the villain "Jaws" in the James Bond films and lived near Oakhurst. He did various commercials for Sierra in the early days.

Actor Richard "Jaws" Kiel and director Roberta "Hot Tub" Williams take a break during the shooting of a video "infomercial" for Sierra On-Line.

I couldn't resist including this picture in the book. Until now, I had never really focused on the picture caption that refers to Roberta as

“Hot Tub” Williams. Funny!

The Girl In The Tower

Sierra did some wild and crazy things to promote our products, and some of them created more controversy than intended.

One promotion that caused me to get calls, threatening lawsuits, had to do with the launch of *King’s Quest VI* and the game’s theme song, *The Girl in the Tower*.

One of our house musicians and producers, Mark Seibert, composed the song and performed it with his wife. As I was listening to the song I thought, “This is good enough to be on the radio!” This gave me an idea. Why shouldn’t the song be on the radio? In those days radio stations had call-in lines where listeners could request songs. Mark’s song deserved to be on the radio!

Sierra sent sound track CDs to radio stations

It didn't go exactly as planned

Our marketing department went to work compiling a list of the request line phone numbers for every music radio station in the United States. We sent them all copies of the song. We also put the phone number list into every box of *King's Quest VI* along with a recommendation that they call the radio stations and ask that the song be played.

There were a lot of people who couldn't wait to get their hands on *King's Quest VI*. Imagine 400,000 copies being sold in the first week to a bunch of hard core Sierra fans. A large number of them did as they were requested and phoned the radio stations. Some of them called several or all of the stations.

We had hoped that this would push *King's Quest VI* to the top of the music charts. It did work, in that the song did get some airplay. I heard it on our local station driving into work and cheered! However, it also angered a lot of people. Request lines were jammed across the country. Some of the phone numbers were the main number for the radio station, effectively shutting down all incoming calls. I received calls from lawyers insisting that I immediately tell our customers to stop calling. I couldn't do that. The best I could do was to stop inserting the list of phone numbers. And, what could they sue me for? The stations played music. Didn't listeners have a right to call and request the music they wanted to hear?

We stopped putting the phone numbers into boxes. We never got sued. The song was played. It was just another day at Sierra.

We did our best to never be boring!

Expansion to Japan

In the mid-80's Sierra expanded to Japan. I was interested, because the best arcade games seemed to be coming from there. I also hoped we could open up a new market for our games and that we could license games to sell into the United States.

I don't remember how the connection was made, but we hired a representative in Japan, Ed Nagano. I remember that we paid him a monthly fee to open an office for us in Japan. We always referred to Ed as "Nagano-san," the respectful way to address someone in Japan. His English was decent but not perfect, and he had a somewhat annoying habit, which was rooted in Japanese culture, of avoiding tough questions. It was my first introduction to doing business in a foreign country and I had a lot to learn.

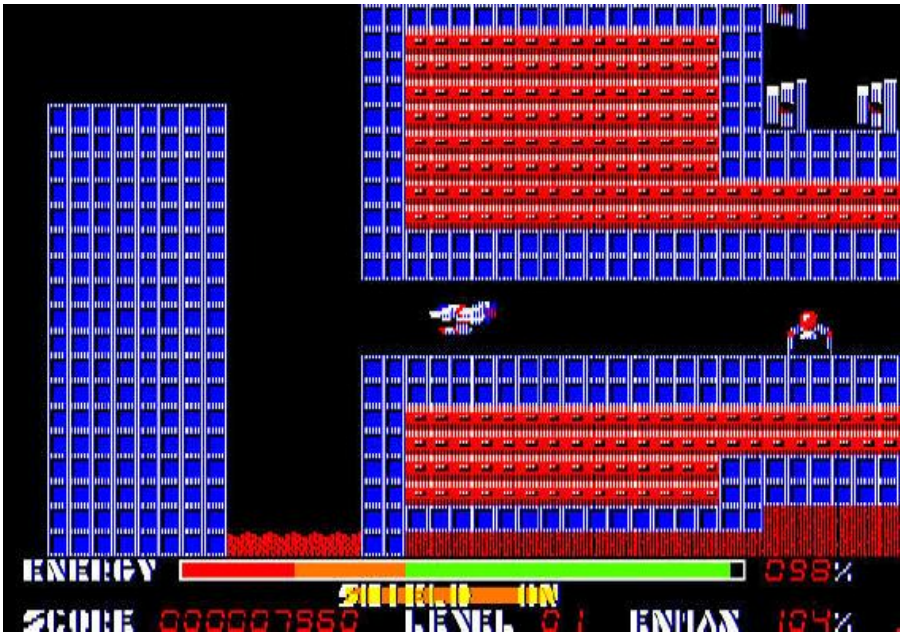
Thexder, Sierra's first Japanese import

Nagano-san introduced us to a small Japanese developer, Game-arts who had released a game called *Thexder* for the NEC computer.

> ***"In 1987, Sierra ported the game to multiple platforms, including the IBM PC, Tandy Color Computer 3, Apple] [, Apple][GS, Apple Macintosh, and Tandy 1000 computer and became the company's best-selling title of 1987"***
>
> **Wikipedia**
> **https://en.wikipedia.org/wiki/Thexder**

I don't remember Thexder as our top seller, but I do remember it quite fondly. It was a big winner for us! *Thexder* was a fairly standard scrolling action game with nothing too special about it, except for the most important thing of all: It was enormously fun to play and very addictive. Its Japanese origin gave it a coin-op game feel that was unique in the American marketplace.

Thexder was followed by a second game from Game-Arts that was also a hit for us, called *Silpheed*. Overall though, the entire Japanese expansion was a bust.



The Japanese market, at the time, was much more fragmented than the US market. Whereas in the US buyers were unlikely to buy a game machine that didn't have a large number of titles available, in Japan if a game platform (machine) had even one good title, it would find customers. I wanted to sell Sierra's games in Japan and tried for a decade, but never discovered a machine we could target that had a large enough installed base to justify the effort. Our development technologies were set up to make translation to other languages simple, but Japanese uses a character set that didn't fit neatly into our games. If we had hired a team of Japanese developers who were based in Oakhurst, I suspect we would have figured it out. It would have taken significant spending though. My hope was that Apple, or some Windows-based computer would catch on in Japan, and that just didn't happen.

My most enduring memory of Japan…

On our first trip to Japan, Nagano-san set up a series of meetings for us with a wide range of Japanese software and hardware companies as well as software distributors. When he arrived at the hotel to pick us up for our meetings, he was shocked to see Roberta. He took me aside and explained that it would be a long hot day, and that Roberta would be much happier if she could relax in the room. I explained that Roberta was my partner and would be an important part of the meetings. I quickly figured out that women were not welcome, or at least that Nagano-san did not believe they would be. I asked Roberta

what she wanted to do and she said something which I could not repeat in polite company, the result of which was that Roberta attended the day's meetings.

Nagano-san had been right. It was a hot, miserable, grueling day. None of the companies we met with seemed to have air conditioning or elevators. The subways were crowded, followed by long walks to the meetings. He had also been right that Roberta did not seem welcome at the meetings. Questions were always directed to me, not her, and when she did speak, her comments seemed to be ignored. At the end of the day, back at our hotel, Roberta was inconsolable. She had never been treated so poorly. I explained, "Their country, their rules," and that there were probably many things about the US that the Japanese find to be just as crazy, when they do business in America. Cultural differences are to be expected and our job was to find common ground, not quibble about the differences.

Roberta never again accompanied me to business meetings in Japan.

That said, this story does have a happy ending. Roberta's and my personal connection to Japan extended well beyond Sierra!

Chris Williams (center, top row), graduating college in Mitaka Japan

After a somewhat rocky start, Roberta and I went on to have a long happy relationship with Japan and the Japanese people. Our son, who did not speak Japanese, ventured to Japan after high school where he learned Japanese, attended and graduated from college, and even worked in the Japanese tech industry for several years before returning to America.

サン・スーシ号（右端）など勇払マリーナに寄港した大型クルーズ船3隻

豪華クルーズ船にため息

勇払マリーナ 米国から3隻

苫小牧市の勇払マリーナに4日、世界一周旅行中の米国人のクルーズ船3隻が寄港した。全長150㍍超の大型クルーズ船が複数訪れるのは珍しく、豪華な船体に関係者は目を見張った。

寄港したのはケン・ウィリアムスさん（54）らが乗るサン・スーシ号（120㌧）など3隻で14人が乗船。3隻は4月に米国シアトルを出港。アラスカ、ロシアなどの10港を巡り、日本を訪れた。

この日朝、3隻の優雅な船体がマリーナに係留されると、マリーナの従業員から「（テーマパークの）ディズニーシーのよう」との声も。ウィリアムスさんらは、苫小牧港管理組合から歓迎の花束を受け取り、笑顔を見せた。3隻は1週間から10日ほど滞在する予定。（桑折しのぶ）

Ken and Roberta's boat, Sans Souci
in Hokkaido Japan, June 2009

After Roberta and I retired, we ventured back to Japan with our own boat (the right-most boat in this photo. We spent two years in Japan exploring so much of Japan that I would joke that there were probably no Japanese who had seen as much of Japan as we had. I may have been right.

We loved our time in Japan, and our trip was the trip of a lifetime.

Johnny Castaway

Sierra shipped a game that was developed by our Dynamix subsidiary that was an unexpected hit. It's one I've thought about over the years, because it was inexpensive to produce and I can think of plenty of ways it could be brought up to date to be a very cool product.

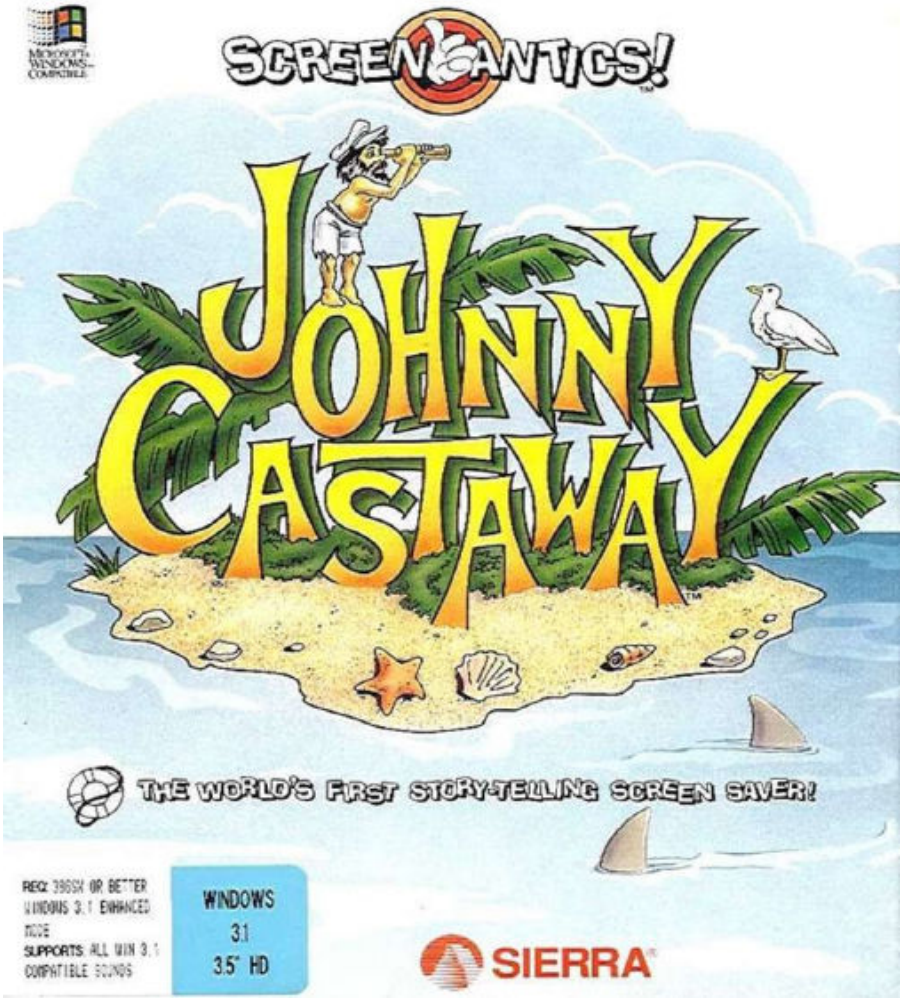
What was it you might ask? *Johnny Castaway*, which was nothing

more than a simplistic screensaver!

Johnny Castaway
The world's first living screensaver

Back in the ‘80s, monitors used a different technology than they do today. If your computer were left sitting for hours with one image on the screen (or a document or spreadsheet), the image would become burned into the monitor. Modern monitors do not do this, or at least are much less susceptible to it. But, in those days screensavers were a big deal. Most of the time they were simple pictures of flowers, landscapes, flying toasters or pets.

Our Dynamix subsidiary in Oregon had a better idea. Why not make a screensaver that was somewhat like our adventure games? I loved the idea from when I first heard it. The concept was to have a screensaver that was based on a castaway on a small island. We would make the game sensitive to the calendar and clock, such that he would do different things at different times. In the mornings he might have coffee and at night he would sleep. He would surprise from time to time by having a visitor to the island, or catching a fish. Holidays were a special treat. We packed a lot of surprises into the game and added more over time. People would leave *Johnny Castaway* running on their computers for weeks at a time waiting for him to do something new.



Imagine how *Johnny Castaway* could be done today with constant updates coming in from the internet? Very cool.

I remember pushing internally for an idea of mine that everyone thought was dumb. Maybe they were right? We never did anything with the idea. But, I thought we should do a screensaver that was an aquarium. Given that everyone's aquarium would be linked by the internet, occasionally a fish from my tank might swim into someone else's tank. Fish could have attributes (colors, breed, facial features, and even personalities). Mating could merge the fish based on the combination of attributes. How an owner feeds their fish could also influence the personality of the fish. The "game" (or, screensaver, or whatever it would be called) would be open ended and no one would know what to expect, us included! Would the fish mate? Or, kill? Or steal food? I thought we could influence (not control) the action from

our end and spin it different directions. Perhaps it would have been a dumb idea. We'll never know.

Sound Cards

I always thought Sierra should be in hardware. I still remember when I saw the first iPod (a predecessor to the iPhone that did nothing but store and play music). My first reaction was, "Awesome! My second thought was, "It should have been a Sierra product. How did we miss that opportunity?"

Early computers had no ability to play music. We did coax some sound out of early Apple computers and even the IBM PCs, but I wouldn't call it music. If you try hard enough, you might be able to fry an egg in a toaster, but it's not going to be easy and it's not likely to taste very good. We did what we could, but it wasn't enough.

Music and sound effects are critical in generating an emotional response in a player.

CAN A COMPUTER MAKE YOU CRY?

Right now, no one knows. This is partly because many would consider the very idea frivolous. But it's also because when we successfully answer this question must first have answered several others.

Why do we weep. Why do we laugh, or fear, or smile? What are the real biomes of our emotions?

Until now, the people who asked such questions tended not to be the same people who sat down at computers. Instead, they were writers, filmmakers, painters, musicians. They were, in the traditional sense, artists.

We're about to change that tradition. The name of our company is Electronic Arts.

SOFTWARE WORTHY OF THE MINDS THAT USE IT. We are a new association of electronic entertainment by a company that – to us – tells the enormous potential of the personal computer.

In the short term, this means transcending its present use as a facilitator of unimaginative tasks and a medium for shoot-'em-up aliens. In the long term, however, we can expect a great deal more.

Since we work as a machines we have created, and in them we've seen a bit of their makers. It is as if we've endowed them with the image of our minds. And through them, we are learning more and more about ourselves.

We learn, for instance, that we are more entertained by the involvement of our imaginations than by passive recognition and learning. We learn that we are better taught by experience than by someone telling us. And we learn that entertainment

distinction – by some that are made between art and entertainment and education – diminishes greatly.

TOWARD A LANGUAGE OF DREAMS. In short, we are finding that the computer can be more than just a processor of data.

It is a communications medium, an interactive tool that can bring people throughout the world closer together, perhaps closer than ever before. And while fifty years from now, its creators may seem no more important than the advent of motion pictures or television, there is a chance it will mean something more.

Something along the lines of a universal language of ideas and emotions. Something like a smile.

The first publications of Electronic Arts are now available. We suspect you'll be hearing a lot about them. Some of them are games. Some you've never seen before. But get more out of your computer than other games ever have. Others are harder to categorize – and we like that.

WATCH US. We're providing a special environment for talented, independent software artists. It's a supportive environment, in which big talents are given room to grow. And some of America's most respected software artists are beginning to take notice.

We think our current roster reflects this very special environment. And though we are few in number today and just beyond the mainstream of the mass software marketplace, we are confident that both time and talent are on our side.

Advertisement by a Sierra competitor that became an inspiration to Sierra

'Can a computer make you cry?'

A competitor of Sierra's, Electronic Arts, ran an ad that I thought was

one of the best ever done. They intended it to promote Electronic Arts' products, but I used it as our company mantra. That ad is what pushed Sierra's focus on trying to lead the industry in music, and would later play a role in our game *Phantasmagoria*.

Sierra turned Electronic Arts' advertising against them when we promoted *King's Quest IV*, with this ad:

CAN A COMPUTER GAME MAKE A PERSON CRY?
King's Quest IV did on June 4, 1988!
When King's Quest IV debuted in front of a live audience, the face of computer entertainment was changed forever. The scene began with a soul-stirring orchestration, lifted to a triumphant chorus, and then elevated to the heraldic announcement of trumpets as the hero, King Graham, entered the scene. The eyes of everyone in the room were mesmerized to the screen as the lifelike King appeared on screen, breathtakingly detailed from the tranquil look in his eyes to the growing creases upon his forehead. Suddenly, the revered silence was filled by gasps of shock around the room as King Graham suddenly slumped to the floor.
Moments later, when the lights came up, one could see the mist that yet lingered in the spectators' eyes. Even more startling, tears were found streaming down the face of a woman in the third row.
What could have happened to make a crowd of computer enthusiasts behave so unusually at the screening of a computer game? What could have happened to merit such a display of emotion?
"WONDROUSLY MAGICAL... ABSOLUTELY GORGEOUS, BOTH VISUALLY AND MUSICALLY"
- Computer Entertainer
POWERFULLY EMOTIONAL
Be prepared to find out for yourself why King's Quest IV is the first computer game
to make people cry. And laugh. And sigh. And shout for victory.
King's Quest IV. Better graphics than ever. The best animation around. A soundtrack straight out of the movies. And the only game to test your emotional fortitude.
Sierra's new 3-D Animated Adventures.
WE HATE TO SEE A GROWN-UP CRY (BUT SOMETIMES IT HAPPENS WHEN YOU DO GAMES RIGHT).
IBM & compatibles. Apple IIGS. Atari ST.
SIERRA
(209) 683-6858
King's Quest is a registered trademark of Sierra On-Line, Inc. © 1988 Sierra On-Line, Inc.
Sierra On-Line, Inc. • P.O. Box 485 • Coarsegold, CA 93614

Sierra's answer to the Electronic Arts advertisement

> ***When King's Quest IV debuted in front of a live audience, the face of computer entertainment was changed forever. The scene began with a soul-stirring orchestration, lifted to a triumphant chorus, and then***

> ***elevated to the heralded announcement of trumpets. […] the revered silence was broken by gasps of shock around the room as King Graham suddenly slumped to the floor. […] When the lights came up, one could see the mist that yet lingered in the spectator's eyes. Even more startling, tears were found streaming down the face of a woman in the third row. …***

King's Quest Ad Copy

Our ad was no exaggeration. We set up an enclosed booth at a computer show (CES in Las Vegas) and invited in the public to watch the *King's Quest IV* opening cartoon. People really were brought to tears. We had delivered on our promise.

At the same time as the release of *King's Quest IV*, Sierra introduced an external box, called the MT-32, built by Roland, that was a professional quality synthesizer that could easily be attached to any Windows based computer. We also started distributing a Sierra-branded music card called the Ad-lib.

The Roland MT-32

Sierra's high-end solution for music on computers

Hardware can be a tough business. Apple might disagree, given the success they've had. But for Sierra to tackle inventorying $200 to $650 music add-on devices for personal computers was a very risky proposition. We offered absolute customer satisfaction. If we had to take back a $650 music device, it hurt. If all of the devices in our inventory became obsolete because technology moved forward, it hurt

even more.

There are those who would argue that we lost money on the hardware business. I would argue the opposite. We may have lost a few dollars, but we made millions on the leadership position it gave us.

We had once again proven that anyone who wanted a vision of the future needed only look to Sierra.

Memories about Dynamix:

Dynamix was Sierra's first acquisition, and it turned out spectacularly. I'm struggling to remember what product it was that I saw that brought them to my attention. I think it may have been *Red Baron*.

B507
The S.E.5.a was probably the best Allied scout of the war. Although it was not as maneuverable as the Camel, it was much faster, and could climb higher and more quickly than the Camel. Most of Britain's top aces flew the S.E.5a at some point in their careers.

Aces Over the Pacific, its sequel *Aces Over Europe*, and *Red Baron*, were incredible products. I'm sure they look prehistoric by today's standards, but it's sad that they weren't continually enhanced and kept current. The manuals that came with these games alone justified the price. I don't remember my print cost on the manuals, but I'm guessing I had $5 or more just into each manual printed. More importantly, the manuals were a reflection of the effort Dynamix put into the games to assure their authenticity.

I badly wanted into the flight simulator category, and Dynamix had a great 3D engine that I felt I could leverage into other products. From the moment I saw *Red Baron* and first saw Dynamix's 3D capabilities, I started thinking about what a true 3D adventure game could look like. I also was thinking ahead to doing something online sooner or later and knew that flight simulators should be a part of that vision.

And then, there were the people. I was blown away by the extreme level of talent. Damon Slye who was the genius behind the flight simulators was off the top of the charts brilliant. I needed him on my team. Tony Reyneke who ran the operation was from an accounting background and seemed to be running things smoothly. Overall, it seemed too good to be true and was a perfect deal.

The Incredible Machine

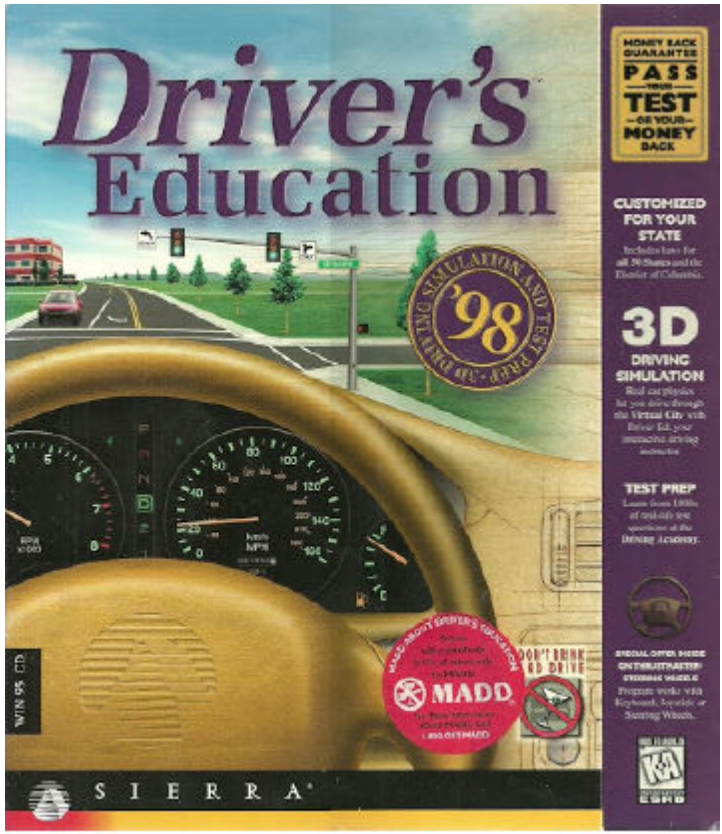
One of Ken's favorite products of all time!

I remember the first working prototype I saw for *Incredible Machine*. I was shocked! I'm still amazed by that product. It was like a Rube Goldberg construction set. If anyone reading this has not seen the *Incredible Machine*, google it. You will find sites where the game can be played online. A very cool product and one of Sierra's (via Dynamix) proudest accomplishments.

Jeff Tunnell was the creative force behind many of Dynamix's products. I forget why but remember that he wanted to set up his own studio away from Dynamix's offices. Like me, he thought that true creativity could only happen within a small organization.

Jeff put together one product for me that bombed but should have, and could have, been a hit.

Towards the end of my time at Sierra I was focused on perennial products. I wanted to invest heavily in products that I felt could be updated from year to year and made better with each iteration. It costs a lot of money to produce a new product and create brand awareness.



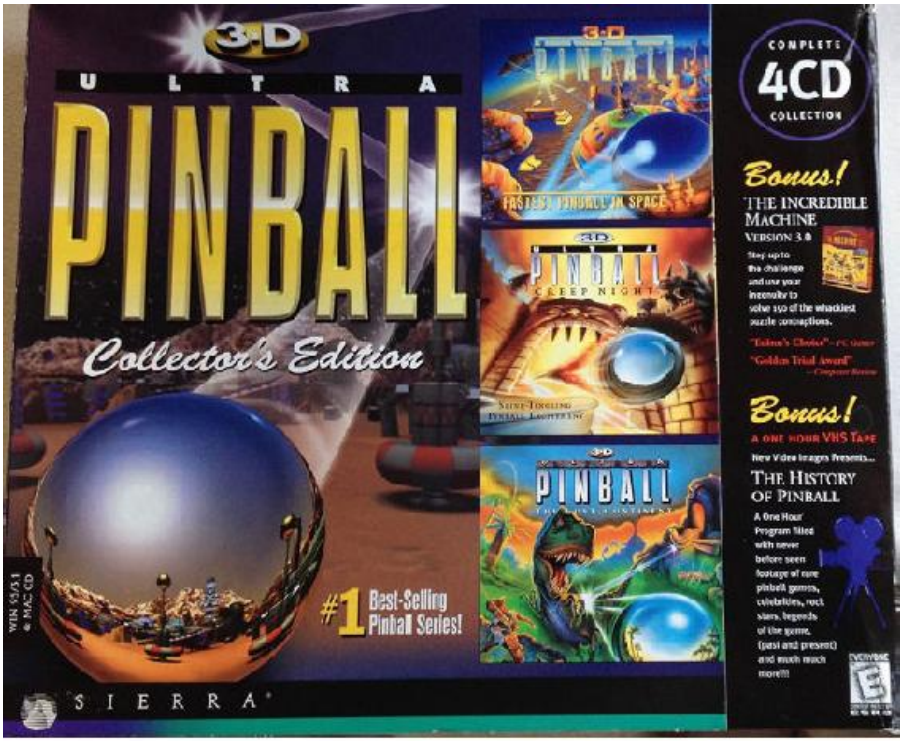
I was always seeking products that could be sold year after year with minor updates

There are somewhere around four million driving tests given each year. Some percentage of those people would like to learn on a simulator where they can be placed into real-world situations and also study for the testing. Even if someone had a "real-world" instructor, I felt our simulator was a valuable supplement and that training by computer would be a good head-start for behind-the-wheel training. It wasn't a glamorous, or huge category, but it was one we could own and easily produce profitable revenue from, year after year after year. As always, Dynamix did an amazing job and although we didn't do well with the product, I'm confident that if we'd stuck with it and executed the plan over time, we'd have had a nice profitable niche product. I also believed it was a chance to do something that really could have saved lives.

And, then there are the Dynamix pinball games. Once again – incredible! I'm not a gamer but I spent many hours on Dynamix *3D Ultra Pinball* (and, its various sequels). It was the perfect way to pass

the time on a long flight.

3D Ultra Pinball by Dynamix



Sierra released a series of pinball games, with a wide variety of themes

I have a sad memory about pinball…

Dariusz Lukaszuk, 1964-1995

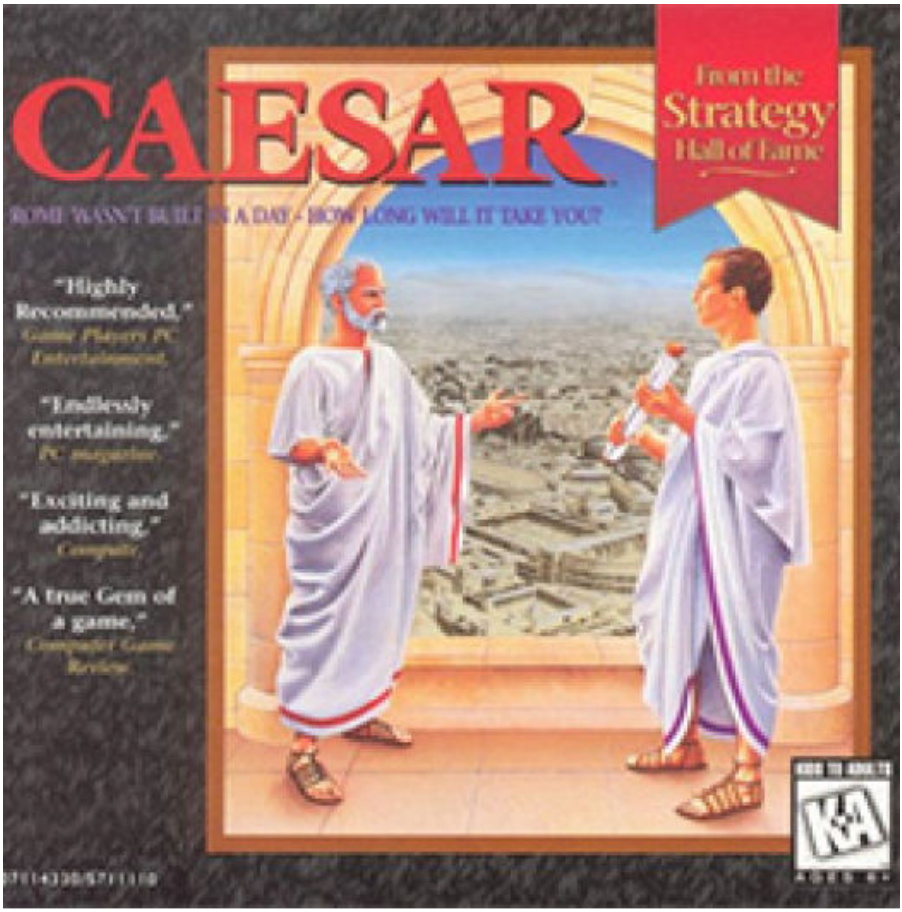
Two of the amazing engineers on *3d Ultra Pinball* were Piotr and Dariusz Lukaszuk; twin brothers from Poland. The story, as I heard it, was that they rewarded themselves for the success of *3D Ultra Pinball* by buying a fancy car, a red convertible Corvette. It was late at night, and the roads were wet. The Corvette has wide wheels compared to other cars, and it's prone to hydroplane. The car hydroplaned, and he lost control, sliding off the road. The other person in the car was his coworker at Dynamix, Scott Young-blood, who walked away mostly unhurt (physically).

Memories of Impressions:

While I'm speaking about small niches … I can talk about my memories of acquiring the company, Impressions.

My recollection is that I acquired Impressions partially as an answer to the game *SimCity,* which was a huge hit at the time. *Caesar* by Impressions was in the same city building category, but different enough that no one was going to consider it a cheaply made clone.

The team at Impressions were focused on building serious games, more like board games than action games. It was a small niche, but another that I felt Sierra could own. I didn't need a product category to be large, I just needed it to be profitable, growing and steady.



Sierra's answer to SimCity

John Travolta

Once upon a time, a very long time ago, John Travolta was one of the hottest names in Hollywood. His movie *Saturday Night Fever* had been a smash hit.

I was always looking outside the computer industry to decide what consumers were into. Jane Fonda had pioneered exercise videos that were selling incredibly well. She also had a top selling exercise book.

Sierra tried to emulate Jane Fonda's success
with video tapes by introducing fitness software with John Travolta

I happened to see a picture of John Travolta, who had gotten buffed out for the sequel to *Saturday Night Fever*, called *Staying Alive*. I contacted his agent and asked if John would be interested in launching a computer-based exercise program. It would be a first. If people would exercise in front of a VHS tape playing on a TV, why not in front of their computer?

Roberta and I were invited to visit Mr. Travolta at his ranch in Santa Barbara. To prepare I had the engineers at Sierra prepare an interactive example showing an animated John Travolta exercising. The program would log time spent and produce graphs plus offer advice on workouts.

Roberta was very excited to be meeting John Travolta! We flew to Santa Barbara, where he had his chauffeur pick us up at the airport for the trip to his ranch. Once there, he was as charming and casual as you might think.

John Travolta asked Roberta if she wanted a tour of the house while I was setting up the computer for our demonstration. Roberta later said that she couldn't believe it when they entered John Travolta's bedroom! I suppose I should have been jealous, but I was too busy setting up the computer.

I ran the demo, which really didn't consist of much more than a pixelated stick figure doing jumping jacks. Travolta said he was impressed, which I seriously doubt. Graphics in those days were not something that should have impressed anyone, but our hands were tied by the state of the art at the time.

While setting up the demo Mr. Travolta saw that I had *Microsoft Flight Simulator* on the machine. He had a strong interest in flying but hadn't tried flying on a computer. We wound up flying planes while Roberta looked on, bored.

Back home in Oakhurst we heard that our home had been surrounded by persons hoping to get a glimpse of John Travolta. Somehow the word had leaked that we were working on a deal. He never came to Oakhurst, and no deal was ever put together. His agent wanted a large royalty guarantee, and I wasn't convinced that the product would sell well enough to earn out the guarantee. The product was abandoned.

Whenever I see modern exercise machines, that are internet connected, like the Peloton bikes, my first thought is: I should probably buy one of those and use it. My second thought is: Had I stayed in the industry, the whole category of connected machines would have been a natural fit as a Sierra product. I never saw Sierra as a "game company," or an "adventure game company." We were a consumer products company.

A "fish who got away"

I loved the books by Douglas Adams (*Hitchhiker's Guide To The Galaxy*) and knew that they would be a hit with Sierra's customers. Infocom published an adventure game based on *Hitchhiker's Guide* which was an excellent game, but all text. I wanted to do a version with graphics. If the Infocom agreement precluded it there were other books of Douglas' to work with. I would run into him frequently at various

industry events and always make my argument. He listened and I always thought a deal would come together. I was willing to do about anything. Whatever it took. But, nothing ever came together. Frustrating!

Richard Garriott and Ultima

Speaking of fish who got away…

I have a simple negotiation style. I usually try to figure out what a deal looks like that is fair to both sides and that's my first and last offer. I will spend how ever long it takes to educate someone on why a deal that I've proposed is the "right deal" and should be accepted. But as a rule, I do not raise what I am offering.

> ***"I never want to be the high bidder on any deal"***
>
> **Ken Williams**

Richard Garriott, aka Lord British

There is an old saying, that I disagree with, that says, "*No deal is done until both sides feel pain.*" The theory of this is that the deal isn't done until both sides have negotiated to get everything from the deal that

they can. My preference is always to find a deal that makes the other side happy and profitable. If they are making money off of our relationship, then we should have a long-lasting stress free relationship. I never want anyone bound to me that isn't excited about being there.

I mention this in the context of Richard Garriott because he was one of the few people I ever dealt with who beat me in a negotiation.

Richard Garriott is one of the sharpest and most creative people I've ever met. Typically, people fit into one of two categories: They are either creative or they are a businessperson. Richard is that rare beast who is a superstar in both categories.

Typically, I would never market a product where Sierra didn't own the brand name. That was a non-starter for Richard. Somehow he talked me into a larger royalty than I was willing to pay. He also negotiated that we would put a printed cloth map into each box, and even negotiated the quality and thickness of the material.

Ultimately (no pun intended), Richard decided to cut ties to Sierra and formed his own publishing company, called Origin. I'm not complaining. We had a very successful relationship and each of us has gone on to do well. I was just sad that Sierra couldn't have stayed his publisher forever.

Sierra Source Code

Al Lowe kept copies of the source code to all his games.

The source isn't "normal" source code. It is source code written in one of the two proprietary programming languages that Sierra used to produce our games, AGI (Adventure Game Interpreter) or SCI (Sierra Creative Interpretor). These are languages we developed internally, that produced not only our adventure games, but also many of our educational products (such as *Dr. Brain* and the *Disney* products).

Having our own language gave Sierra a significant competitive advantage. Similar concepts exist in the industry today, and very few games are built without some sort of "engine," similar to what Sierra did with our interpreter in the early days. At the time, no one else had anything like it. AGI was used on our games up until about 1985 and then we used SCI which was probably the first ever object-oriented programming language to be widely used on commercial products EVER.

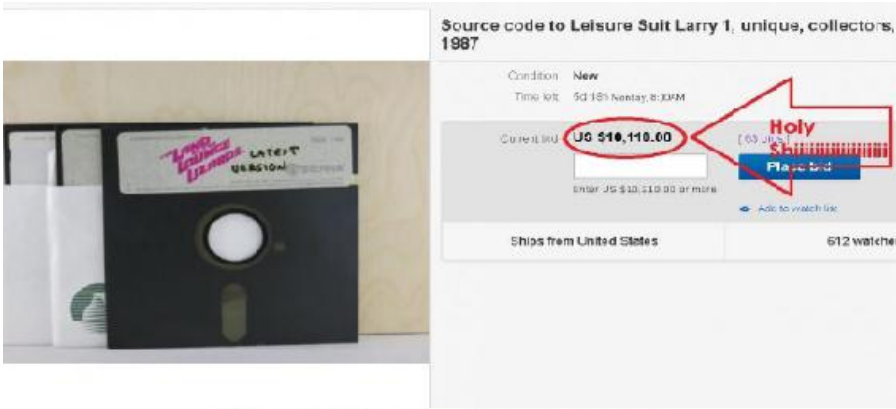
Over the past couple of decades, various people around the world have attempted to reverse engineer the Sierra games, some with good success. There are programming manuals on the internet for both of the languages.

Anyway…

Al Lowe, designer of *Leisure Suit Larry* found the old source code to his early games and decided to sell it on eBay. To my knowledge it would have been the first time that anyone had "leaked" the full source code to a Sierra game publicly.

In reality, there's nothing anyone could do with the old source code and I'm not sure why they would want it. History? Memorabilia?

Bidding went crazy almost immediately. Lots of people wanted it!



Al Lowe tried to auction old Sierra source code,
and it didn't work out so well

Within a couple days the price for the old floppies had jumped to over ten thousand dollars!!!

Al was amazed!

As he was counting his new found wealth, he suddenly received a letter from Activision's legal department advising him to immediately shut down the auction. They consider the source code to be theirs and to be a trade secret. Darn!

Poor Al…

Al and Margaret Lowe, Ken and Roberta Williams

Chapter 18: (1983) King's Quest and the PCJr

> ***Any disaster is a learning process.***
>
> **Julia Child**

(CONTINUATION OF THE STORY FROM CHAPTER 16)

After the videogame crash, and Sierra's layoff, some employees were offered the chance to work without pay while we attempted to bring the company back to life. Only a few took us up on that offer.

The company had no cash and couldn't pay our bills. To survive, Roberta and I applied for a loan on our home. Given our company's poor prospects, and the fact that our home was so overbuilt for the area, it's amazing we were able to borrow. Had the loan not come through, the company probably wouldn't have made it. We supplemented this with borrowing on our credit cards.

We had fired our accounting department, and the bills were still rolling in. Revenue from selling games was no more than a trickle. We had shut down most computer game development and there was no money to be had from our videogame cartridges.

I needed to find a way to get money flowing and asked Roberta to take over the role of Purchasing Agent, which had previously been part of our now-defunct Accounting Department. She immediately started calling our creditors working out payment plans and renegotiating all the money we owed. All of us during this very trying time had to take on multiple roles. It's how we survived

We were excited to be building a new office building for Sierra

A few years later, that building would almost bankrupt us

Here I am meeting with two guys who have arrived from Andromeda

at Sierra's headquarters

Our biggest bill, other than payroll, was to the developers of a brand-new office building that had been built just for us. It had been built to provide for the exponential growth we expected as a result of our expansion into the videogame market. Instead of filling the parking lot, a few of us were huddled into one corner.

In an attempt to negotiate out of the $25,000 monthly lease payments, we offered 10% of our worthless company to the building's owners in exchange for a free year of rent. They refused and charged exorbitant late fees as our debt increased.

Roberta was successful in keeping the dogs away from the door and the company afloat. Over the months that followed, our finances started to stabilize, but it really just meant we were dying more slowly. We couldn't afford to build new products and were just hanging on by a thread.

Meanwhile …

IBM launches a personal computer

Today, IBM is rarely discussed when talking about personal computers.

As IBM entered the '80s they were dominant, some even said a monopoly, in business computing. Virtually all large corporations with serious data centers had filled them with IBM mainframe computers.

Apple's success in the personal computer market caught IBM's attention and IBM wanted into the category, but was late to the party.

Philip Don Estridge, who is considered the father of the IBM PC, said of his effort to compete with Apple, "If you want to compete with kids in a garage you need to start by building a garage." And, that's effectively what he did. He created a renegade group within IBM, and within a month had a prototype computer to show. Within a year of that presentation, the IBM PC was born.

To save time, he licensed the operating system from some kids who were making software for the Apple][. They had formed a company called Microsoft.

This rush to produce a computer turned out to be a huge success, as well as a disastrous mistake.

IBM PC

At the time the IBM PC was launched, in 1981, IBM was so dominant within the computer industry that the US government had sued to break up the company on anti-trust grounds. The legal war between the US government and IBM had dragged for over a decade.

> ***"After thousands of hours of testimony (testimony of over 950 witnesses, 87 in court, the remainder by deposition), and the submission of tens of thousands of exhibits, on January 8, 1982 the anti-trust case U.S. v. IBM was withdrawn on the grounds that the case was without merit.***
>
> ***30,000,000 pages of documents were generated in the course of this anti-trust case."***

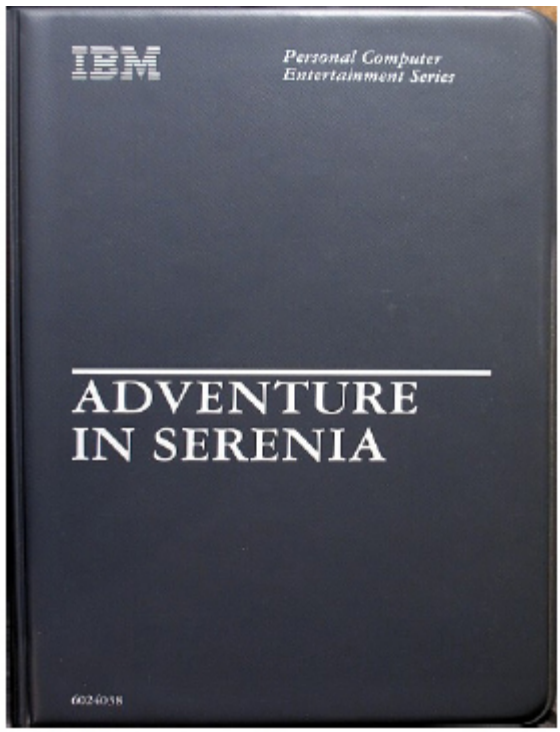
Historyofinformation.com

IBM was shaken by their near-brush with being ripped apart by the government.

The climate of fear inside IBM affected how IBM did business and indirectly became the best thing that ever happened to Sierra, and coincidentally to Microsoft.

The IBM PC was an immediate hit in the business world. A few were sold to home users, but the PCs were really built with Word Processing and Spreadsheets in mind.

IBM wanted into the home and educational markets but was struggling to succeed. They even came to Sierra asking that we build games for the IBM PC and licensed a version of *Wizard and the Princess* that they renamed as "*Adventure in Serenia*" (for some unknown reason.)



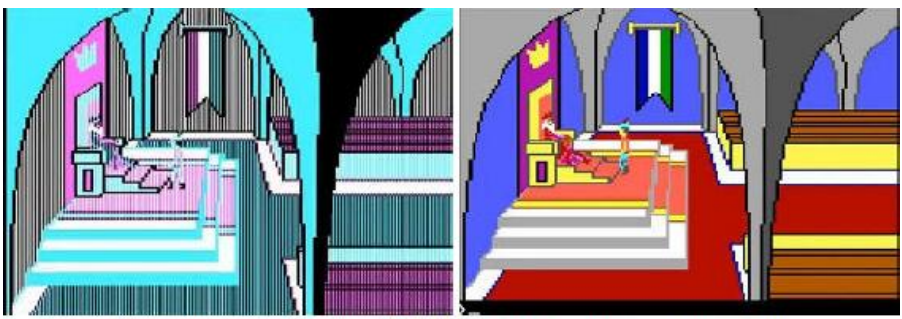
IBM's flawed idea of consumer packaging

IBM's boring packaging for *Wizard and the Princess* gives an indication of why IBM was struggling to enter the home market. The same professional packaging that worked for spreadsheets wasn't a winner on games.

I remember they launched *Adventure in Serenia* as part of their big launch of a new graphics card for the PC (the EGA card) that extended the graphic capabilities. Our version of *Adventure in Serenia* for the IBM PC supported the basic CGA card that came with the PC, using the same clunky six color graphics as on the Apple][. But, using the EGA card the game ran at higher resolution and used real colors instead of the polka-dot approach we were using to simulate more

colors. I wouldn't say that the extra hardware made the game look great, but it definitely looked much better.

After all of the work by Sierra to support the new graphics card, IBM blew the Sierra-related ad that was meant to launch the card. Their ad campaign included back-cover ads on the top computer magazines, featuring *Adventures in Serenia*. I did not see the advertising until after the magazines were printed. They announced their fancy new EGA cards, featuring a picture of a PC that was running the un-enhanced clunky (CGA) ugly-looking version of our game. I don't know how much they spent on the ads, but I doubt it helped them sell cards. Both of us came out looking bad. Oops.



The same scene, displayed in CGA and EGA graphics on an IBM PC

IBM was afraid to license anything exclusively due to their paranoia about being broken up. I found their contracts almost comical at the time. I never saw Microsoft's contract for DOS (the IBM PC operating system) but assume it was similar to the one we signed. In their contract IBM made us promise that we wouldn't license them anything that we weren't making available to other companies! IBM owned the world at that time. They could easily have pushed around Sierra or Microsoft, but instead chose to overcompensate by insisting that nothing be given exclusively to IBM.

Microsoft licensed the DOS operating system to IBM and then also licensed it to other companies wanting to compete with IBM.

When Sierra did the big layoff we focused efforts on an important project

The reason that Roberta had the confidence to refuse any consideration of selling the company was that she had a project in development that was looking incredible.

Several months before the videogame crash, Sierra had been contacted

by IBM saying they had a top secret project they wanted to talk to us about.

We met with a team of suited executives who flew all the way from Florida to Oakhurst, and signed their extensive secrecy agreements.

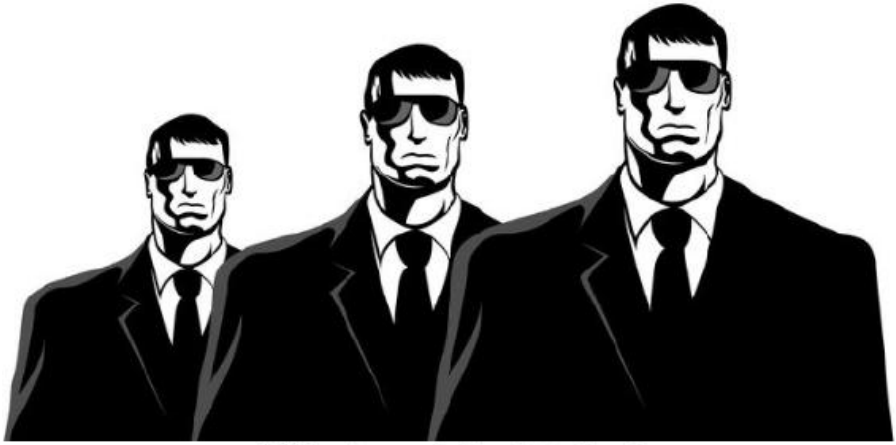
The IBM representatives said that IBM was planning to enter the home computer market and compete with Apple, by launching a new computer called the *Peanut*.

IBM said that the *Peanut* would be based on the same DOS operating system as the IBM PC, but have 16 color graphics and the ability to play music. It would also come with both a floppy disk drive and the ability to take game cartridges.

In particular, they wanted to know if we could enhance *Adventure in Serenia* to take advantage of the *Peanut* and maybe put it on a cartridge. They asked if Roberta would personally think about the new hardware and give some ideas for what she could do with it.

Working with IBM was “interesting.”

As part of the contract, we were to maintain absolute secrecy. IBM even mandated that we never refer to their company or their employees by their company name: **IBM**. Instead, we were asked to use a code name. When IBM asked what code name we wanted to use, I thought about how in the book “*2001: A Space Odyssey*” IBM had been hinted at by the acronym HAL (a slight derivation of IBM, by using the prior letter from the alphabet for each character). I wanted something equally creative and came up with: **BFC**. All correspondence from that era uses the code name BFC to refer to IBM. From time to time IBM’s employees would smile and say that they had figured out how we arrived at the code name. We never let them in on the secret. However, if I were ever asked if the “B” were short for Big and the C for Company, I suspect I might have to refuse to answer.



BFC Employees Arriving In Oakhurst

Periodically during development, a team from IBM would show up to see how we were doing. IBM representatives were expected to dress in suits. In Silicon Valley or New York they might have blended into the crowd, but not in Oakhurst. Whenever a group of them would arrive in town, carrying their briefcases, rumors would fly around town. Was it the secret service? Spies? What were those crazy kids at Sierra up to now??

Instead of just doing a revved up version of *Wizard and Princess*, Roberta had started a new game, to be called *King's Quest*. IBM was giving us upfront money, as royalty advances, to help fund the development of the game.

In hopes of bringing back some of the laid off employees, I flew to IBM and pitched them on additional games, and even a word processor! During that meeting I showed them the progress we were making on *King's Quest* and they were blown away. It was a great way to start the meeting!

IBM liked everything we presented, and contracts were issued for more products! I forget how much money Sierra received in aggregate but it was more than enough to get the company going again. Many of the employees that had been recently laid off were hired back and Sierra was reborn.

King's Quest for the Peanut

Roberta was excited about the *Peanut* because it had the memory and processor speed to allow her to realize her vision of adding animation to her adventure games. The Apple][had been pushed as far as it

could go. Roberta had asked many times, “When will I be able to do animation?” She had even started mapping out a game in which there was an on-screen character that was controlled by the game player.

Sierra was in a very good position to tackle a new machine.

The first adventure games had used a spreadsheet type approach to describe the game. It worked but was very limiting.

We needed something more robust to handle Roberta’s vision of an animated adventure game. Thus, AGI (for Adventure Game Interpreter) was born.

The idea was that we would build a programming language that was oriented towards animation in games. It would compile to an imaginary machine language that wasn’t tied to any one computer. We knew computers were evolving quickly and wanted to make it easy to adapt games to different computers. Even though the language was invented for *King’s Quest* we already saw it as a language that would be used to build many different games on many different computers.

```
if (said( open, door)) {      // must be close enough
  if (posn( ego, 86, 120, 106, 133)) {
    if (!night) {
      if ( door.open) {
        print("The door is already open. . .");
      }
      else {
        set( game.control);
        set.priority( ego, 11);
        start.update( door);
        end.of.loop( door, door.done);
      }
    }
    else {
      print("You can't -- it's locked...");
    }
  }
  else {
    set( notCloseEnough);
  }
}
```

Sierra invented our own programming language, called AGI
In the source for all our games, the central player-controlled character was identified as "ego"

In addition to building a programming language, we needed to build custom tools to bring Roberta's creation to life. For example, we needed to build a tool that an artist could use to build an animated character and drop it into the game. We also needed to do a music editor.

Part of Roberta's vision was that the game's universe would be 3D. In other words, she wanted the player to be able to control a character (King Graham) who would move through the world under player control. He needed to be able to walk behind rocks, trees, buildings, other characters, etc.

As always, the technology team and I gave our classic answer, "No. It is impossible."

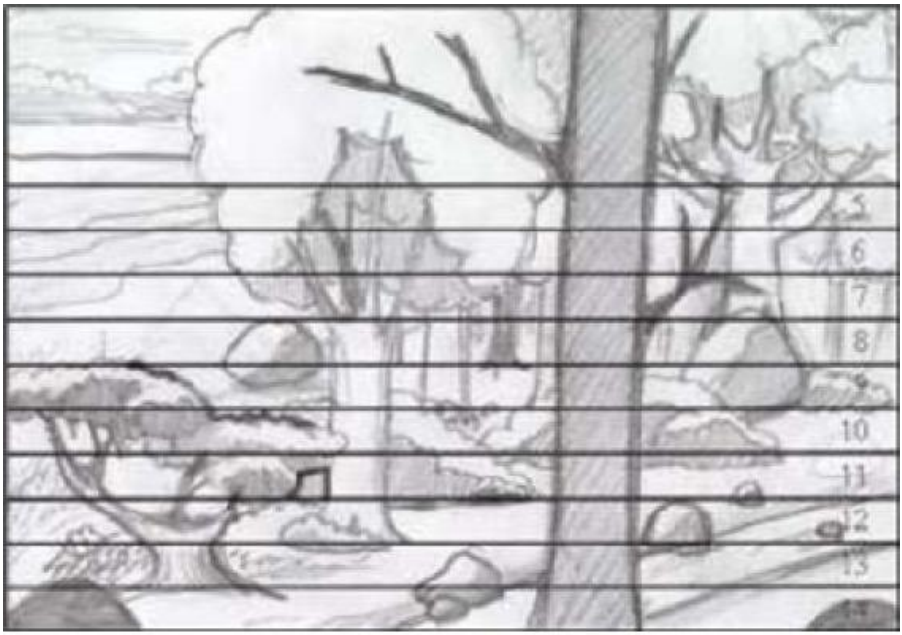
The *Peanut* was a step up from the Apple][, but it wasn't an enormous leap. And, to be honest, no one working for Sierra at that time had the

math skills to create a true 3D game. Perhaps with enough money and time we could have done something, but I doubt it. True 3D like you see in most games today is accomplished via offloading the math to specialized hardware that does the majority of the work.

We all wanted to please Roberta, and we wanted to give IBM a game that would make their computer look good.

Ultimately, we chose an approach that gave the impression of 3D by working with twelve 2-dimensional layers.

From Roberta's game map, we would produce a pencil sketch of each of the game's locations



For our adventure games we simulated 3D by splitting pictures into 15 two dimensional layers

The pencil sketch would then be divided into 15 equal horizontal bands, numbered from 0 to 14. By looking at which band the base of any object in the picture was located, we could quickly identify which objects were in front of other objects. For example, in the sketch above, you can see that the large tree extends all the way to the bottom of the screen, putting it on level 14. The tree to its left has its base on level 12. If an animated character in the game has its base on level 13, it would be drawn behind the level 14 tree, and in front of the level 12 tree.

The pencil sketch for a game location would be digitized and colored

Colors are used to represent which two dimensional layer each object is on

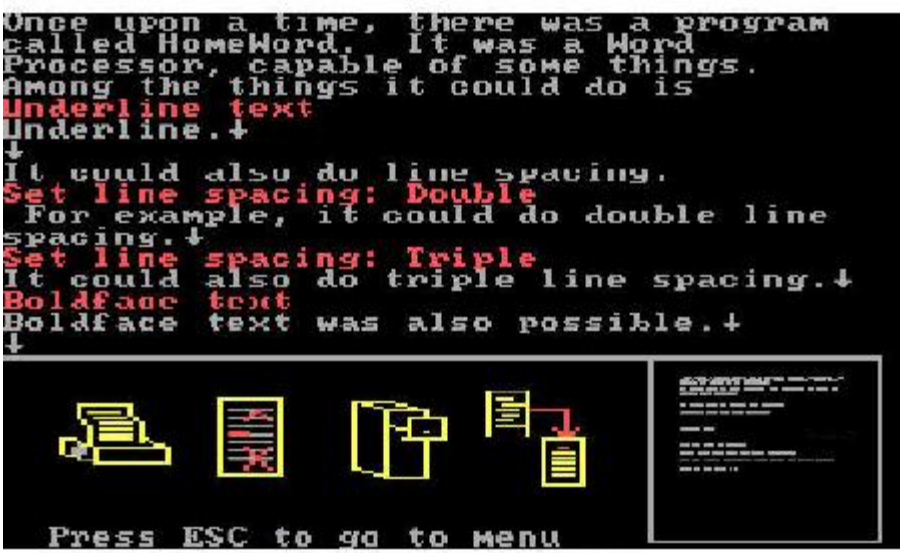
The black rectangles are places where characters can never walk

King's Quest looked so good that IBM was easy to talk into additional products, each with its own set of royalty advances. These cash advances gave us the money we needed to hire people back and build products.

I always wanted Sierra to market a word processor and IBM gave us the chance

The keyboard overlay was for fast access to formatting commands

No mice in those days!


Once upon a time, there was a program
called HomeWord. It was a Word
Processor, capable of some things.
Among the things it could do is
Underline text
Underline.
It could also do line spacing.
Set line spacing: Double
For example, it could do double line
spacing.
Set line spacing: Triple
It could also do triple line spacing.
Boldface text
Boldface text was also possible.
Press ESC to go to menu

Homeword, a graphic word processor

The dots in the lower right were intended to give a quick overview

of the document formatting

One of the products that IBM funded was the *Homeword Word*

Processor. IBM liked my idea of using small pictures or icons to enter formatting commands rather than complicated keyboard commands. The word processing market at the time was dominated by Wordstar, which used obscure formatting commands, like ctrl-c to center text.

We also converted a couple of our existing games to the *Peanut*, now known by its official name, PC Jr (*Crossfire* and *Mindshaft*).

Our IBM relationship was a success! But, the money was not rolling in fast enough.

The money from IBM was based on milestones and was coming in slowly. We had hired back a lot of people in order to create the games for IBM, and there still wasn't enough revenue coming in. We were digging the hole a little deeper month by month.

Our relationship with the venture capitalists wasn't great, but it was improving day by day as we made progress. The IBM relationship and the possibility of our software being sold on millions of computers gave the venture capitalists hope that Sierra might survive. Furthermore, we had worked out a deal with Disney to launch a line of Disney branded products. It had also not gone unnoticed that the crash and layoffs had been good for us. The party atmosphere had been replaced by a renewed focus on building a real company.

All the momentum in the world does nothing to get the bills paid. There were milestone payments that would arrive sooner or later from IBM, but they weren't coming fast enough. We needed to bring in more money quickly.

The venture capitalists were willing to kick in some money, but it wasn't much and it came with some hefty strings attached. I've long forgotten the details, but it was something like: They gave us $500,000 and we gave them 10% of the company. I think Roberta and I still retained over half the company, but there was another piece to the deal. Each share of stock they purchased had the right to buy several more shares at a slightly higher price. These were called Warrants and if exercised the company would bring in another million dollars, but Roberta and I would lose control. We had no choice. We needed to keep Sierra alive.

Crossfire on cartridge for the IBM (BFC) PCjr

Finally, the day came and IBM launched the PC Jr! We were excited about our software and prepared to sell millions of copies.

Here's an excerpt from Wikipedia saying what happened:

> ***"Despite widespread anticipation, the PCjr's launch was unsuccessful. IBM's inexperience with the consumer market led to unclear positioning, with analysts believing that IBM was unsuccessful at justifying the PCjr's higher cost in comparison to competitors such as the Commodore 64 and Apple][. It is only partially IBM compatible, so compatibility with existing PC software such as the killer app Lotus 1-2-3 was not guaranteed. The PCjr's chiclet keyboard was widely criticized for its poor quality, with critics stating that it was unsuitable for extended use such as word processing. The PCjr's expandability is limited, and it was initially offered with up to 128 KB of RAM only, insufficient for many IBM PC programs […] By January 1985, when the discounts ended, IBM had sold 250,000 PCjr computers, with 200,000 in the fourth quarter of 1984 alone. Unable to sell the computer without***

> ***discounts, IBM abruptly discontinued the PCjr in March 1985…"***

Wikipedia
https://en.wikipedia.org/wiki/IBM_PCjr

More succinctly: The PC Jr bombed. IBM had been worried that the PC Jr might scavenge sales for the higher-priced IBM PC. The PC Jr launched with limited expansion abilities and a horrible laptop-style flat keyboard that was referred to as a "chiclet" keyboard.

On the day the PC Jr released I had rushed to the store to buy a "real" PC Jr. Prior to the release we had been using specially modified IBM PCs. Roberta, the kids, and I went to the movies on the way home from the store, and left the computer sitting on the car floor in the back seat. Returning to the car after the movie I discovered a smashed window and that the computer was gone. The bad reviews for the PC Jr arrived so fast that I replaced the car window, but not the computer.

No further income beyond the development funding we had already received would be coming.

All was not lost though! IBM could have asked for exclusive rights to the games, but they had made us sign contracts encouraging us to market them to others.

And, we did!

I flew to Texas to visit Radio Shack, who at the time was the world's largest retailer of electronics with over 6,000 stores in the United States.

Radio Shack was working on a computer that had been intended to compete with the IBM PC Jr. I had several meetings with John Roach, Radio Shack's CEO, and came away with an agreement that Radio Shack would sell versions of the same games we had developed for the IBM PC Jr on their new computer, the Tandy 1000.

The Tandy 1000 was a hit, and thanks to the software that Sierra had developed for the failed PC Jr, we were the first to support the enhanced graphics and sound that the Tandy 1000 had implemented in response to the IBM PC Jr.

> ***"…Released in November 1984, the $1,200 Tandy 1000 offered the same functionality as the PCjr, but with an improved keyboard and better expandability and compatibility. "How could IBM have made that mistake with the PCjr?" an amazed Tandy executive said regarding its chiclet keyboard, and another claimed that the 1000 "is what the PCjr should have been"***
>
> **Wikipedia**
> **https://en.wikipedia.org/wiki/Tandy_1000**

And, because Sierra had upgraded our proprietary development language (AGI) to support color graphics, sound and animation, we now had a huge headstart on producing more games.

Our Disney products leveraged the technology that had been built for *King's Quest,* and were also a hit in Radio Shack stores.

We rushed out a version of all the games for the Apple][. The games did not look nearly as good due to the limited graphic abilities of the Apple][, but revenue is revenue and we took it wherever we could get it.

Our venture capitalists were in shock. We had risen from the dead and were suddenly the bright spot in their software portfolios! The board voted to restore my title to Chairman of the Board.

Best of all, Tandy's success showed the benefits of having an IBM compatible computer with enhanced graphics and sound. All of the hardware companies wanted a piece of the action. IBM, rather than creating their own operating system had licensed it from Microsoft. Tandy also licensed the operating system from Microsoft, who went on to license many companies to make "IBM compatible" computers. For a decade computers, and software, were labeled as "IBM Compatible" but over time Microsoft replaced IBM on those labels. These days you'll see those labels say, "Windows compatible" reflecting that the operating system comes from Microsoft, who like Sierra, owes their launch into the big leagues to IBM.

The turnaround was complete, and Sierra never had a losing quarter over the next fifteen years!

- INTERLUDE -

(A brief pause in the story, so I can wedge something in)

Roberta and Licensed Properties

Chapter 19:

> ***What I've realized recently is that the difference between me and Mickey Mouse is, there's not a man that can go and say, 'Look, can you get me in any faster? I'm Mickey Mouse.' Whereas I can go in and say, 'Look, could you get me a table faster? I'm Princess Leia.'***
>
> **Carrie Fisher**

Roberta is the true founder of Sierra and was always Sierra's bestselling author.

Just a few of Roberta's awards

Roberta should be the one writing this book. Believe me. I tried to convince her. After failing to get her to even consider the idea, I twisted her arm to write just one chapter. She also refused to do that. I do believe she will read and comment on the final manuscript for this book. And, probably the version you are reading is only legible because of her efforts.

Roberta's book about Ireland and why she doesn't do interviews

There are two reasons why Roberta can't be lured into writing a Sierra book, the first of which is that she has been busy for a decade working

on a book of her own. Just to tease you, here's a sneak peek at a preliminary version of her book cover.

Roberta is of Irish heritage and decided to trace the history of the Irish immigration to America, telling the story by tracing several generations of her own family's history. When Roberta does something, she does it "all the way," and the research she put into this book tells us much about Roberta. Before Roberta wrote the first word she had hired researchers who were producing thick research documents, while Roberta compiled binders full of research on her own.

Roberta spent several years on research prior to starting to write. And then the actual writing of the story took years, and then several more years to make pass after pass of editing. The final book had to work as a "good and entertaining read" but it also had to be historically accurate. She has spent the last six months just agonizing over the historical footnotes at the end of the book, with the first month spent just researching the proper ways to write footnotes.

> ***America is a country shaped by immigration.***
>
> ***It is estimated that as many as 4.5 million Irish arrived in America during the 1800s and early 1900s. Between 1820 and 1860, the Irish constituted over one third of all immigrants to the United States.***
>
> ***Rather than an unimpassioned history lesson, Roberta shares the immigrant story through the eyes of her own Irish ancestors. To really understand the Irish experience you have to live it. Barring the invention of time travel, this is as close as you can get.***

Roberta Williams, on the back cover copy of her book about Ireland

FAREWELL TO TARA

"What the devil do we care about you or your black potatoes? It was not us that made them black. You will get two days to pay the rent, and if you don't you know the consequences."

(Bailiff's reply to tenants, quoted in the Freeman's Journal, April 1846)

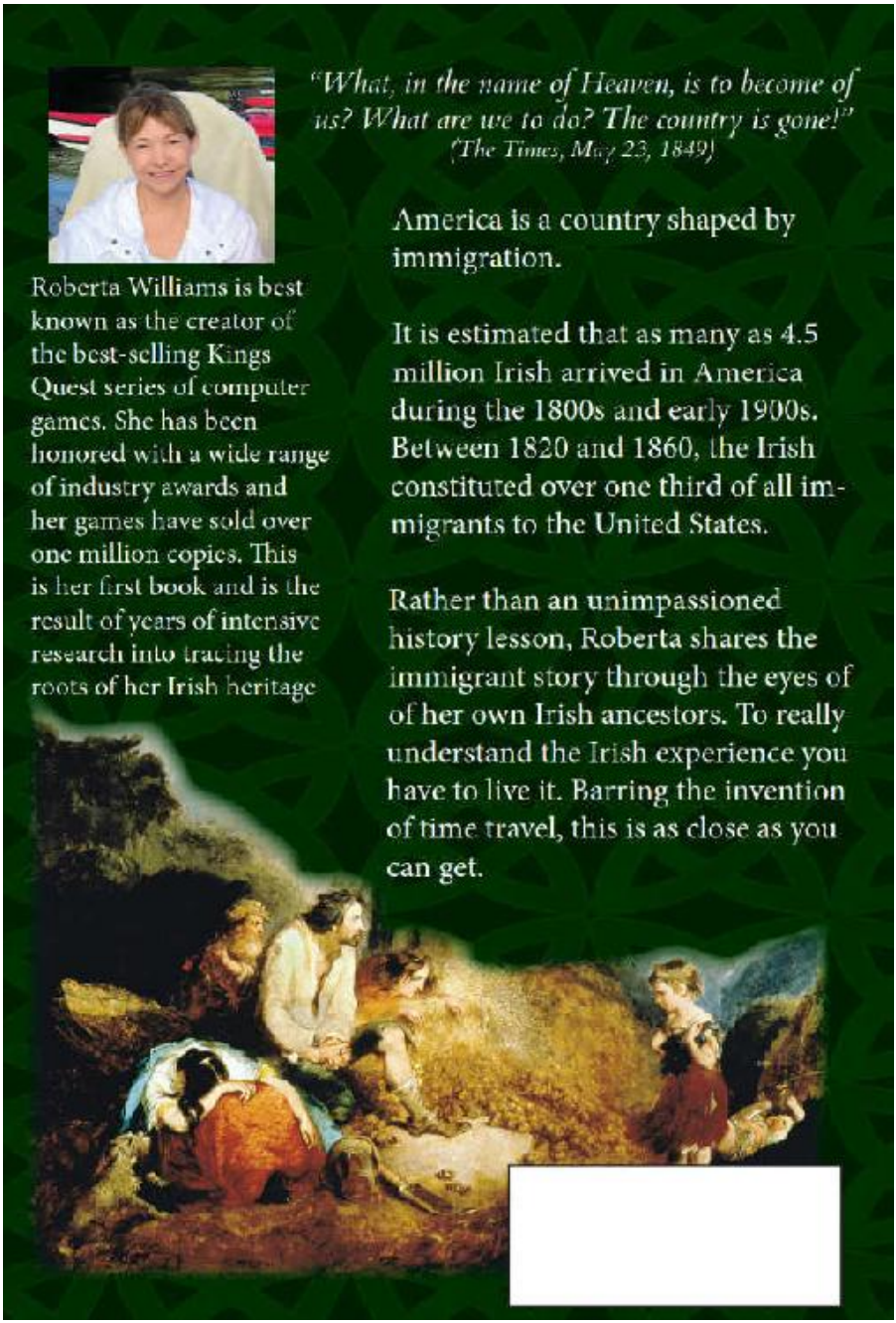
"The only encouragement we hold out to strangers are a good climate, fertile soil, wholesome air and water, plenty of provisions, good pay for labor, kind neighbors, good laws, a free government and a hearty welcome."

(Benjamin Franklin 1706-1790)

ROBERTA WILLIAMS

Hopefully the book will be available by the time you read this.

If you don't see it on Amazon, check the website www.robertasbook.com


"What, in the name of Heaven, is to become of us? What are we to do? The country is gone!"
(The Times, May 23, 1849)
America is a country shaped by immigration.
It is estimated that as many as 4.5 million Irish arrived in America during the 1800s and early 1900s. Between 1820 and 1860, the Irish constituted over one third of all immigrants to the United States.
Rather than an unimpassioned history lesson, Roberta shares the immigrant story through the eyes of of her own Irish ancestors. To really understand the Irish experience you have to live it. Barring the invention of time travel, this is as close as you can get.
Roberta Williams is best known as the creator of the best-selling Kings Quest series of computer games. She has been honored with a wide range of industry awards and her games have sold over one million copies. This is her first book and is the result of years of intensive research into tracing the roots of her Irish heritage

The second reason Roberta hasn't written Sierra's history is simply that she doesn't want to.

Roberta refuses all interview requests. Once in a very great while she will do one, but only as a result of my talking her into it. Usually I have to offer something in return as a part of the negotiation.

I can't completely explain Roberta's hesitancy to speak about Sierra. When asked about it, her usual answer is, "Why would I want to do that? No. I'm not interested."

It isn't that Roberta doesn't care about Sierra history or has bad feelings about the Sierra years. It's just that it would take some of her time, and there's only a certain number of hours in a day. Roberta likes to focus on where we are going, not on where we have been. Roberta knows that she could easily get sucked into spending endless hours talking about Sierra, and that nothing she says or does will bring Sierra back. She'd rather use her time doing something new and making some new history.

Even now, in our journeys around the world by boat, after each adventure I produce a blog entry. Along the way, I pumped out four books about boating. Roberta thinks of my blog as a waste of time and a loss of our privacy. She's right of course, as always. But, what can I say? I like writing the blog entries, whereas she sees no value in them.

Anyway …

The Dark Crystal

In 1982, Sierra was using a publicity firm based in New York to help promote our games. One of their other clients was Christopher Cerf, the son of Bennett Cerf, co-founder of Random House. In addition to being an author, Christopher was heavily tied in with Sesame Street and the Muppets and had written hundreds of Muppet-related songs.

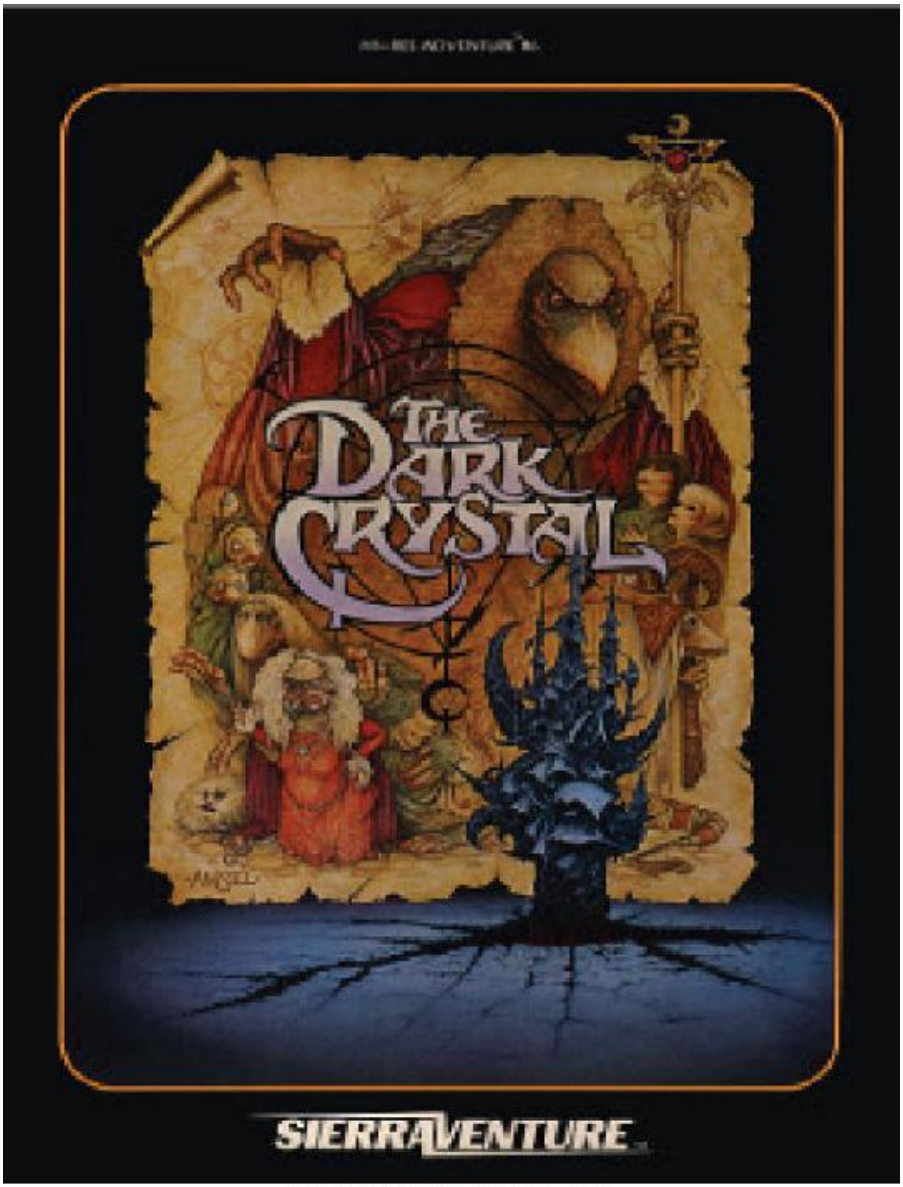
Christopher knew that Jim Henson, creator of the Muppets, was planning a movie, called the *Dark Crystal*, that was widely expected to be a major hit. I don't remember how the deal came together, but Christopher connected me with Jim Henson, and Sierra became the first company ever to launch a game as part of a movie's release.

L to R: Jim Henson, Ken Williams

Roberta agreed to design the game. It was our first exposure to a major film production and was an eye opener. The film was deep into production at the time and I remember being shocked at the number of binders full of drawings that provided the minute details behind the movie.

It was a wealth of ideas that Sierra could borrow for how we should be building games.

Every character had a character sheet providing a full description of the character, their back story, illustrations of how they would look in various clothes and animations, and even samples of how they might speak. Henson was creating a world that was bigger than just the one film. There were volumes of drawings and backstory for the world within which the characters lived. An entire universe had been created, including all of the characters that lived within it. The film, *The Dark Crystal*, represented one possible story that could take place within the universe they had created. There was plenty here for Roberta to draw on to create her game.



The Dark Crystal Adventure Game

Based on the movie, game design by Roberta Williams

> ***"In a way, it's better than the movie. Although beautifully produced, the Muppet-related movie, The Dark Crystal, left some of its audience wondering, "So what?" There wasn't a lot of substance—at least, not that was developed. The adventure escapes such denigration by virtue of being a game. As puzzles, the tribulations of the gelflings Jen and Kira are challenging, and solving them is rewarding. That is the***

> ***"so what." And, because graphic adventures are so often weak in plot, the thin story that failed to serve the movie well is comparatively top-drawer material in the game."***

Softline Magazine, 1983

Working with Disney on the Black Cauldron

We were approached by Disney in 1985 asking if Roberta would be willing to work with them to do a game based on a movie they would be releasing, called "*The Black Cauldron*."

As always, Roberta immediately said, "No." Roberta had worked with Disney previously, designing a game called "*Mickey's Space Adventure*." It hadn't been a bad experience, but neither was it a particularly pleasant experience.

There were many negatives and no positives from Roberta's perspective.

- The "royalties" (piece of the action) had to be split with Disney.
- The characters were already designed. Half of the fun is the creative side of creating new characters.
- Everything Roberta did would be scrutinized by teams of people, each with their own agendas.
- Getting true creative control over the project was impossible.

I valued the Disney logo on our products and wanted to do everything possible to tighten the relationship, so I groveled as best I could and ultimately Roberta said, "Yes," but only if she could have complete creative control of the game, and if Al Lowe could be engaged to do the vast majority of the work. Roberta was busy on another game and didn't want to get sidetracked.

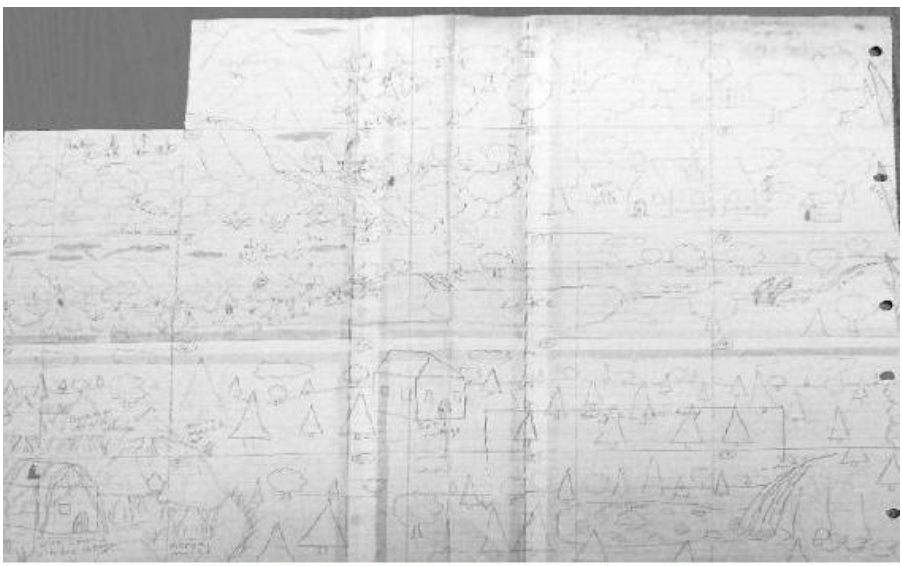
Sierra did a lot of pioneering things with our box covers
The Black Cauldron box had a flap that opened to several color pages
from the film

Roberta also saw this as a way to spin up to speed a new adventure game designer for Sierra. Al had already done his own educational products as well as the Disney games, but *Black Cauldron* would be Al's first full-sized adventure game. Even though Roberta was never a salaried employee of Sierra (she received royalties on her games), I used her to champion other designers, including Jane Jenson who worked with her on *King's Quest* then went on to launch the *Gabriel Knight* series, and Lorelei Shannon who also worked with Roberta on *King's Quest* and then took over the *Phantasmagoria* series with

Phantasmagoria II.

If you look around on-line you can find the credits for *Black Cauldron*. Interestingly, on many sites you will find several people credited with designing the game: Al Lowe, Elaine Boulay, Melissa Halderman, Nancy Casolero … and, finally, Roberta Williams. The number of names listed gives you some sense of the behind-the-scenes controversy that ensued.

Al and Roberta, working from the film's script, produced a design document and met with the Disney team to present their ideas.



An early Black Cauldron game map drawn by Roberta

The Disney team listened politely to Al and Roberta's ideas and returned home to their offices.

A week later Al and Roberta received back their design, with major portions of it removed. Many of the removals were because they had included things that "didn't happen in the movie." For example, if there was a ladder in a room, and in the movie the central character never climbed the ladder, then Disney's representatives didn't understand why they should be able to do it in the game.

The Disney team wasn't quite understanding the difference between an interactive story, and a movie. They were engaged and wanted to help but also perceived Roberta as adding elements to the story that simply didn't exist. Sierra was creating a story bigger than the 90 minute movie and they were confused about how, and why, she was doing that.

Roberta was busy at the time on another game and had agreed to get involved in the *Black Cauldron* game as a favor to me. From her perspective, her and Al were being asked to train a bunch of rookies, and none of it seemed consistent with my promise that she would have complete creative control.

Once again Roberta said, “No,” leaving me in an awkward position. Disney had come to Sierra with what they thought was going to be a huge new franchise for them. Sierra’s computer game was an important part of the movie’s launch and they had specifically wanted Roberta to design the game.

Ultimately, Disney backed down, and we shipped the game our way. There was a bit of shouting along the way, but the game did not suffer. As planned, Al Lowe took over the project, with Roberta helping occasionally, and nailed the design. The resulting game was awesome!

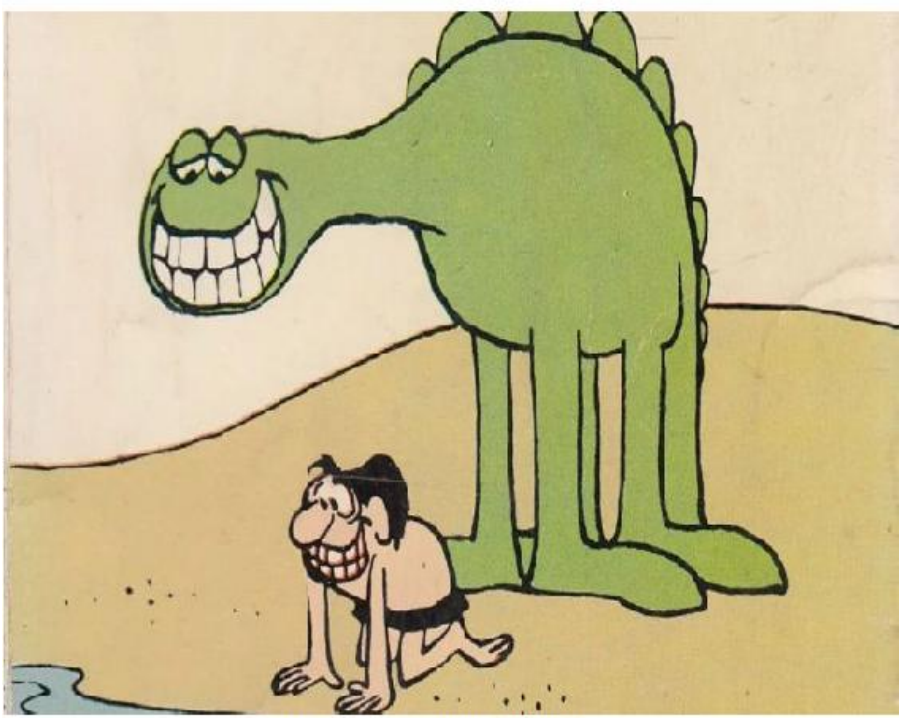
Unfortunately, the movie bombed. Despite this, the game was a winner and inside Sierra we claimed that the game outsold the movie. It was an exaggeration, in that the movie grossed over $20 million, whereas our revenues were probably a quarter of that.

However, our game was immensely profitable, and Disney probably lost money.

(1983) Cartoon Time

Chapter 20:

> ***"…I've never canceled a subscription to a newspaper because of bad cartoons or editorials. If that were the case, I wouldn't have any newspapers or magazines to read.***
>
> **Richard M. Nixon**

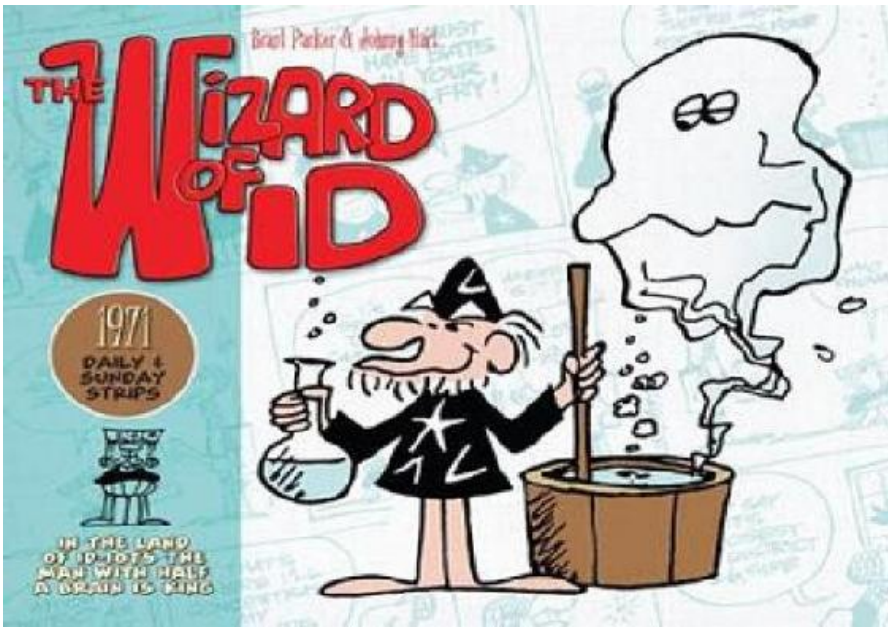


B.C. Comic Strip, by Johnny Hart

As a kid growing up in the '70s, I looked forward to each day's newspaper, especially the Sunday papers when the cartoons would be in color.

Among my favorite series were two by the same cartoonist, Johnny Hart: *B.C.* which followed the lives of some prehistoric cave dwellers,

and the *Wizard of Id*, a series about a shabby medieval kingdom called Id.



I don't remember who came up with the idea of doing a game based on Johnny Hart's comic strips. Me? Maybe.

Whereas I may not remember whose idea it was, but I will never forget our extraordinary meeting with the cartoonist, Johnny Hart.

I had been reading the comic for as long as I'd been able to read. Here was my chance to meet a boyhood hero.

His home was in a small town called Nineveh, New York. When I spoke with him by phone about licensing his comics he invited Roberta and me to visit him at his home. I had never heard of Nineveh and asked where we should fly to. He said, "Take a commercial flight to JFK airport in New York and I'll have my plane bring you to Nineveh." This was too good to be true!

Roberta and I were greeted at the airport and were excited about traveling on Johnny Hart's airplane! I had envisioned something roughly the size of a 747, but instead what greeted us was a tiny prop plane.

We wedged into the plane behind the pilot. There was bad weather in the area and we sat for hours waiting to take off. Finally, we were cleared for departure and began our 200 mile flight to Nineveh.

I've flown a lot of miles in my life and seen a lot of bad weather. From the moment we took off, and until we landed, what seemed like two weeks later, we were in the worst weather I've ever experienced. We should have turned back, but instead flew through clouds, constantly slammed up and down, with lighting strikes surrounding us in every direction.

I'm a nervous flier and can always be counted on to grip with great force any arm rests or seat backs around me throughout the flight. Roberta is a calm flier, but not on this flight. I had never seen Roberta scared on a flight, prior to that flight, or since that flight. She was also thinking this might be the end. I will always believe that we barely escaped death, and I'm not even remotely kidding.

With the delayed departure and the slow flight, we arrived at Johnny's house late. He greeted us and we said "hi," but Roberta and I said we wanted to immediately head to bed and meet in the morning. We had traveled from Oakhurst, which involved driving three hours to San Francisco, waiting for our flight, flying across the country, waiting for our flight-from-hell, taking the flight-from-hell, and then driving to Johnny's house. It was a long day and we were beat.

We were led to a bedroom, where we immediately jumped into bed.

Minutes later we heard a crash, followed by a boom, a drum roll and a smash of a cymbal. We had now discovered that Johnny was a drummer and we would be getting a private concert. His drum set was probably in the next room, but I would have sworn he had somehow snuck it inside my pillow. We heard and felt every beat.

In fact, the beating was relentless and continued all night. Apparently Johnny liked to practice at all hours. We were miserable. Roberta pleaded with me to ask him to stop, but I couldn't bring myself to do so. We were guests in his house.

The next morning Roberta and I rose early, despite not being able to sleep until it was almost daylight. We were eager for our meeting. As one might expect, Johnny decided to sleep in. Once he appeared, he was an incredibly gracious host and we were delighted to be able to speak with him about his craft and see where he did his drawings.

Johnny Hart passed away in 2007, sitting at his desk drawing a cartoon. His fifty year run is amazing, and the comics are still running today, with his grandchildren having taken over the series.

I will never forget one thing Johnny said during our meeting, which

surprised me.

> ***"I try to be really funny at least once a week. It is impossible to be funny in every cartoon."***
>
> **Johnny Hart**

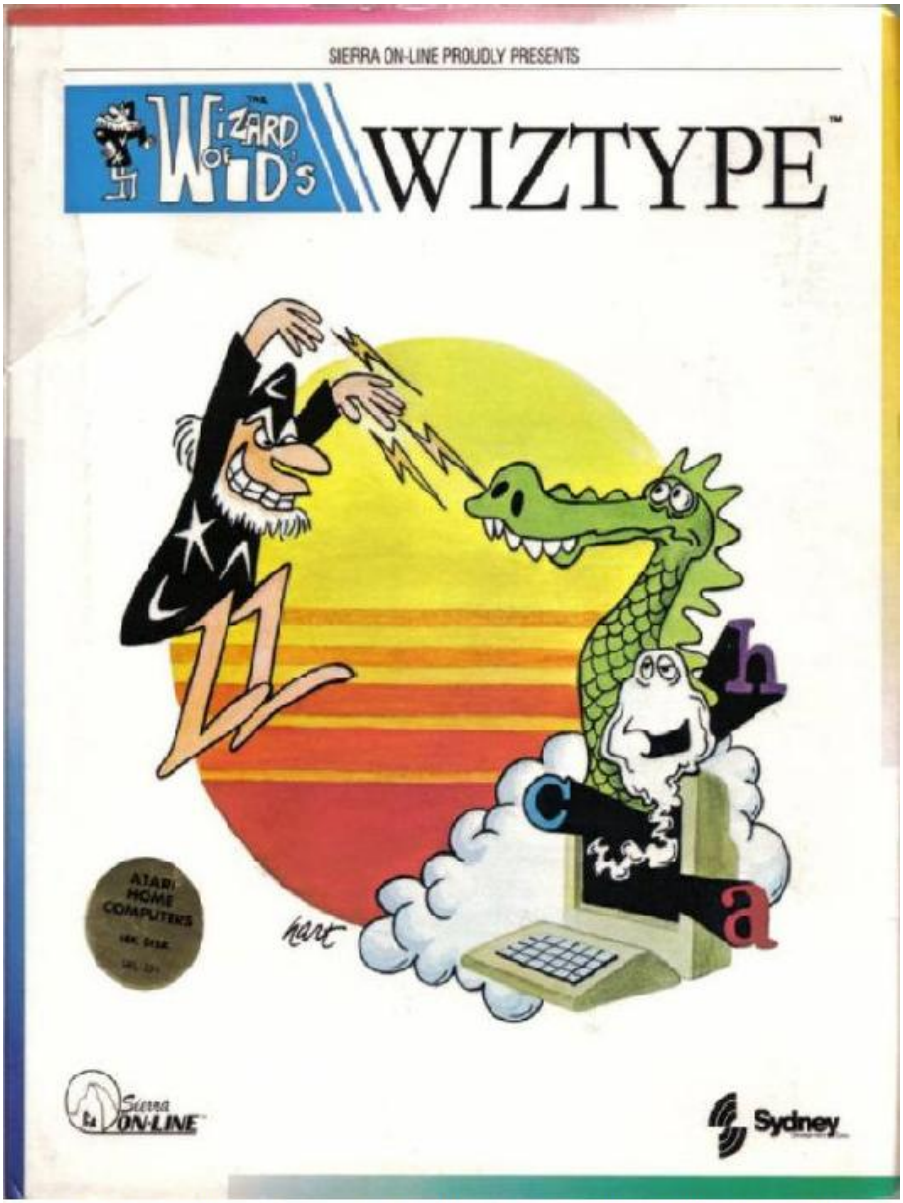
His comment hit home with me. I took a little comfort in knowing that even a creative genius couldn't nail it every time at bat. But the good news is that, if you score a win often enough, the customers will keep coming back.

We had to leave far too soon. The sun was shining and our ride home was much less exciting.

Most importantly, our goal had been accomplished. Sierra would be producing a series of games based on *B.C.* and *The Wizard of Id*.

Sierra always sought games that could push hardware. Computers and video game machines were starting to evolve that had hardware to handle background scrolling. Instead of the software having to repaint the entire screen for every frame of animation, one computer instruction could shift the entire screen. Animated characters on the screen could exist on their own hardware driven layer instead of the fake 3D that we had been doing.

Our first game using the *B.C.* license was *Quest for Tires*. The game design itself was not particularly innovative, but it showed off the hardware nicely and received great reviews. We followed *Quest for Tires* with a string of sequels and even launched a typing program using the *Wizard of Id* license.



Today, computers are so pervasive that kids seem born with typing skills

Not back then. Typing tutors were a hot category for software

- INTERLUDE -

(A brief pause in the story, so I can wedge something in)

Product Strategy
Chapter 21:

> ***"When the product is right, you don't have to be a great Marketer"***
>
> **Lee Iacocca, CEO of Chrysler, Father of the Mustang**

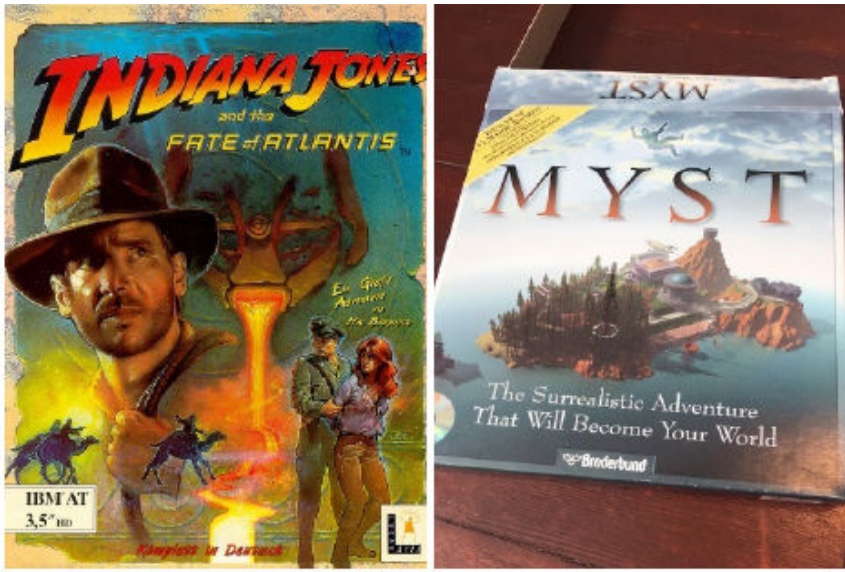
I debated whether Sierra's product strategy belonged in the Marketing chapter. Given the way I ran Sierra, it was never clear where the dividing line was between product and marketing strategy.

Most people think of Sierra as "The Adventure Game Company." However, behind the scenes, throughout Sierra's history I was always trying to reduce adventure games as a percentage of our revenue.

It wasn't that I didn't like adventure games. They always treated us quite well. But, there were several problems with adventure games that neither Roberta or I knew how to fix.

Adventure games:

- Tend to either be too hard, or people run through them in a day.
- Don't lend themselves to being multi-player (and, I thought that was where the world was heading).
- Aren't "perennial." You can't enhance the game year after year and hope people buy it again, unlike a game like "Football" where you can just invest a few dollars each year and the fans will buy it again.
- Are expensive to make!.



Sierra's competitors started chasing us with frighteningly good products

Ultimately, the biggest problem with adventure games was that they were only one slice of the overall market, and our success had generated plenty of competition. Some of our competitors were making games that were very good. LucasArts (George Lucas' company) turned out products like: *Loom*, *Indiana Jones*, and *The Secret of Monkey Island*. Infocom was producing text adventures, like *Zork*, that were a throwback to the original *Colossal Cave Adventure,* but done incredibly well. We were lucky that Infocom shifted from making games to targeting business software and failed. Had they continued to target us, we would have lost a huge amount of Adventure game revenue. Broderbund, another competitor, jumped into the fray with *Myst*, which was scary-good and a huge hit.

Bottom line: adventure games were only one small piece of the consumer software market and it was being carved into even tinier slices as competition moved in.

To fight this I deliberately tried to target specific demographics with each of our adventure games. As you might imagine, *Mickey's Space Adventure* targeted a different buyer than *Leisure Suit Larry*.

Our single biggest product strategy could be summarized as, "Do something we thought would be a hit, spend a lot of money making it, spend a lot of money promoting it, lose money on the game, but if it clicks leverage its success into future sequels." Effectively, we were in the business of creating brands and then dining off those brands. We expected the first game in every new series to be a loser. We were fine

with that. The important thing was that once launched we could somehow create follow-on products with fewer development and/or marketing dollars.

> ***After I left Sierra, one mistake the new owners made was that, rather than following with sequels to products that had a long-term plan, they looked at our lineup for any products that lost money and immediately killed them off. The new owners never "got" the idea of investment spending to launch a brand***
>
> **Ken Williams, September 2020**

And, of course, there was our series strategy. We followed *King's Quest* 1, with .. you guessed it: *King's Quest 2*. *Leisure Suit Larry 1* was followed by: *Leisure Suit Larry 2*. Etc.

One other reason I pushed so hard on non-adventure games was that for us to grow rapidly and profitably we needed to expand our market beyond just adventure games. We needed to reach new buyers. Some people were not going to buy an adventure game regardless of the content. Or, even if they loved adventure games, realistically they were only going to buy some finite number of them each year. If you looked at the bigger picture of what someone would do with a personal computer, gaming was only one slice of the pie.

Sierra envisioned customers splitting their total annual software budget a few ways. If someone were going to spend a couple hundred dollars on software, some of that would be on productivity software; products like word processing and spreadsheets. Microsoft dominated those categories and part of our strategy was to compete by hitting them where they weren't, rather than trying to take Microsoft head-on. Thus, we looked for other niches in productivity like "Design your own home" or "Design your landscaping" or "How to cook dinner."

Another major slice of the pie was: educational software. There was tough competition, but we knew we had what it took to win. By the time we sold the company we were doing amazingly well. We were #1 in education in Europe with products like *Adi* and *Adibou* (curriculum based educational products). And, in the US we were doing incredibly well with our *Dr. Brain* series of semi-educational games.

My goal for the company, and we were on track to achieve it, was to have our revenues come a third, a third, and a third, from

entertainment, education and productivity.

As to adventure games, I wanted all the revenue I could get from them, but realistically, I saw them falling to a small slice of the entertainment pie. Within entertainment, my focus was on the percentage of revenue that was perennial as opposed to the percentage of revenue that was non-perennial. To reach a place where we would have sustainable growth, not just growth, we needed to increase the number of products within entertainment that had "forever" lives. This meant seeking out and giving emphasis to games like our *NASCAR* racing product, our *Bass Fishing* product, *Hoyle's Card Games* and others that weren't hit oriented.

Product budgets were tied to the sales projection for each product. If we thought a product would sell 100,000 units, at $22 per unit, then our revenue projection would have been $2.2 million. We were willing to spend one dollar on development for each four dollars of revenue, so to get the development budget we would divide a product's estimated revenue by four. In this case, the development budget would be $550,000. This isn't a lot of money, and in those days not many products sold 100,000 units. By today's standards these numbers are a laughably small. Plus, today, almost all product is downloaded over the internet. We had huge packaging and return costs, none of which exist today. If our costs were $4 to pay for a CD Rom, instruction manual, warranty card and box, then to produce 100,000 would cost us $400,000. Our products costs also had to allow for the fact that some percentage of everything sold would come back our direction. Sierra always gave retailers the option to return unsold inventory. These returns usually had to be thrown away or somehow creatively disposed of for a very low price.

I mention all of this only to explain that economics played a large role in our product strategy. All product ideas had to be vetted to confirm that the economics worked. There were times we would break the four to one rule, in order to launch a new series, but those occasions were rare. The sad thing is that most, virtually all, projects came in over budget, and light on the sales estimate. Without the occasional hit, we never could have made money.

One hit game will cover a LOT of sins.

Chapter 22: (1987) Sierra Goes Public

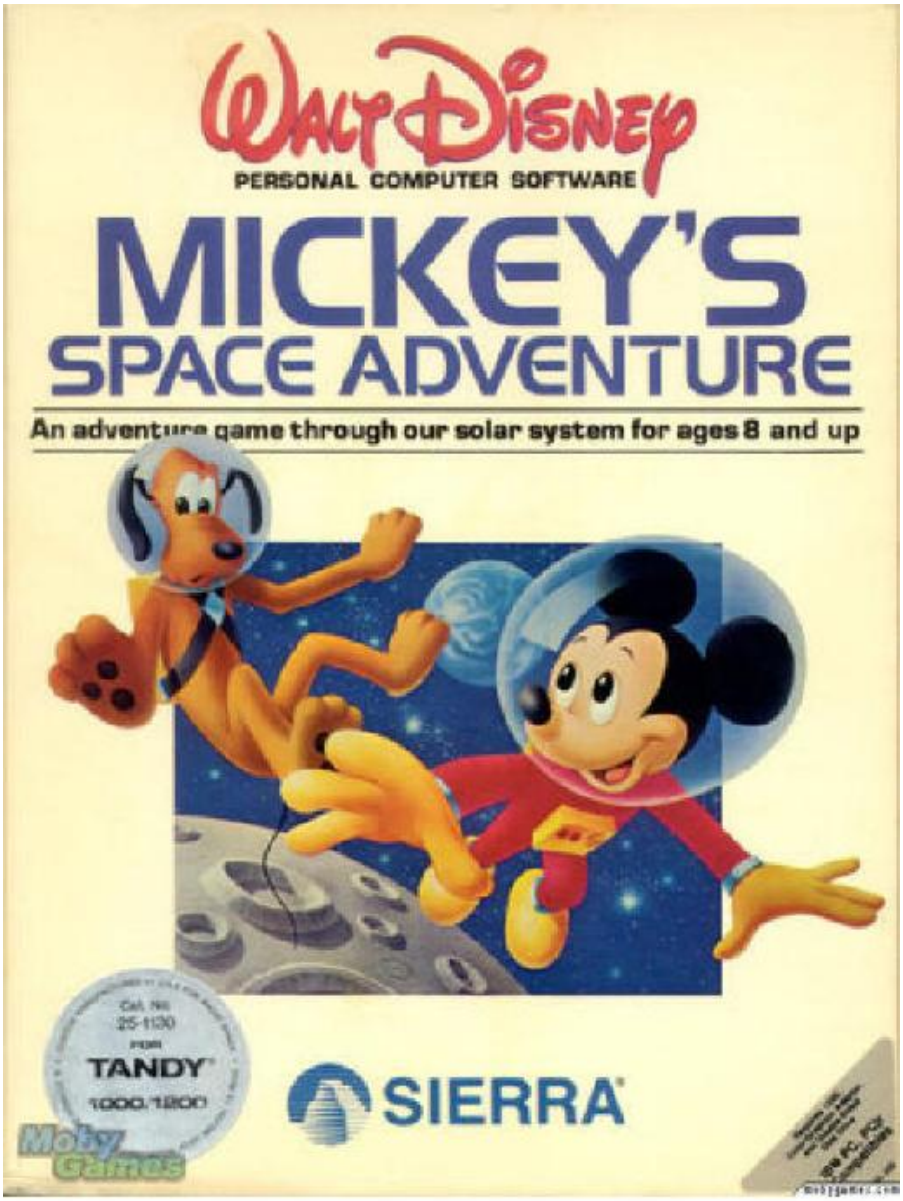
> ***I'm on the Business Roundtable, the CEOs of the largest 100-odd companies in the country. Most of these people wanted very much to be the CEO of a large public company but realize that it's not exactly what they had anticipated, for lots of reasons.***
>
> **Henry Silverman, CEO of HFS (avis, Century 21, Howard Johnsons, Ramada Inn, Coldwell Banker, etc)**

From the day I was old enough to know what it meant, I dreamed about someday being the CEO of a public company. To me this would represent the pinnacle of success. Very few entrepreneurs ever succeed in receiving venture capital, and only a fraction of those ever "go public". Most fade away or are sold, but once in a while a rare company breaks out of the pack and crosses the threshold to have enough revenues and profits that they can offer shares in their company to the public.

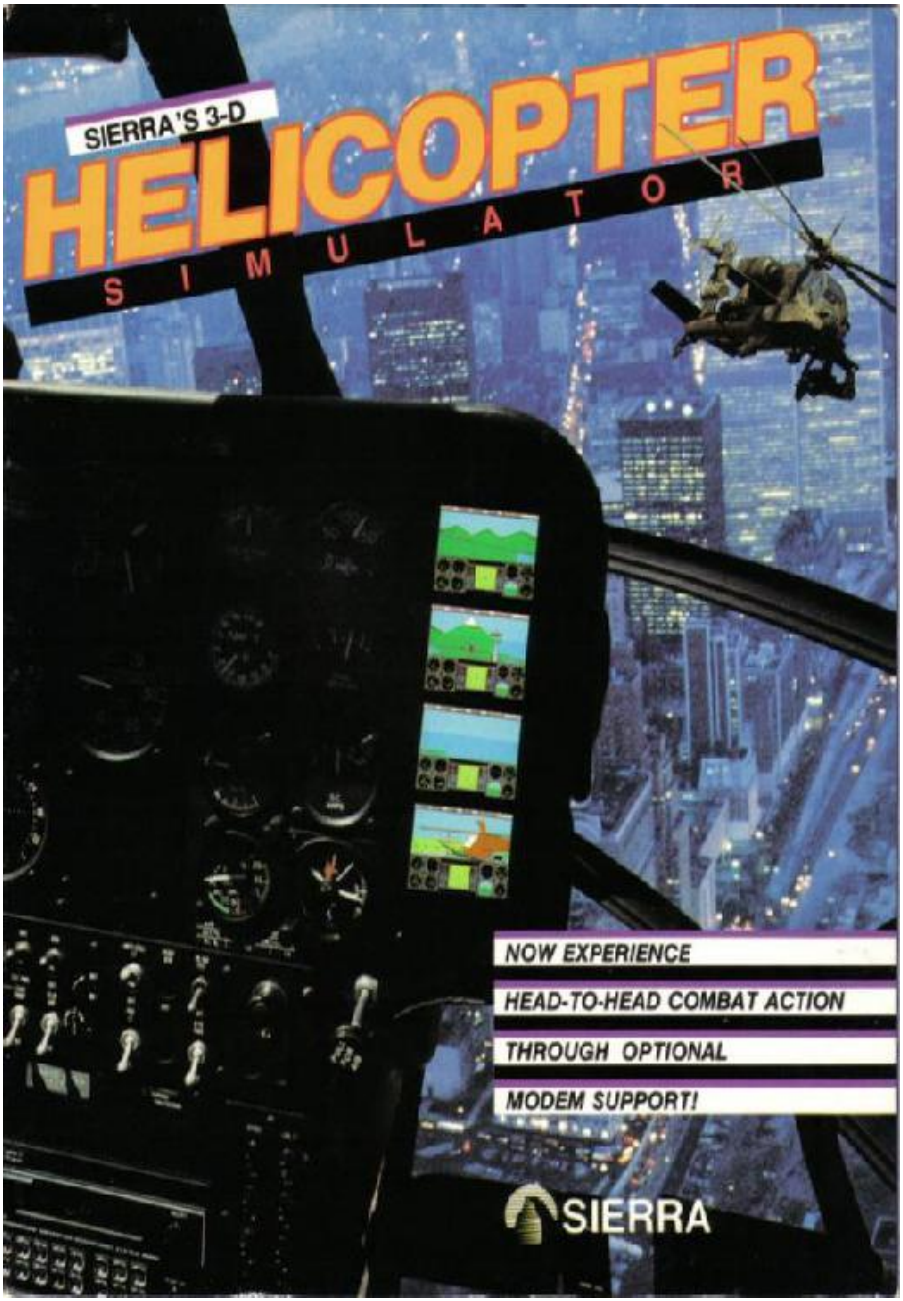
From being essentially a dead company in 1983, by 1987 Sierra had made an amazing comeback. Products like *King's Quest* and *Leisure-Suit Larry* were topping the industry bestseller charts. We had a Disney relationship that was moving us into the educational market.

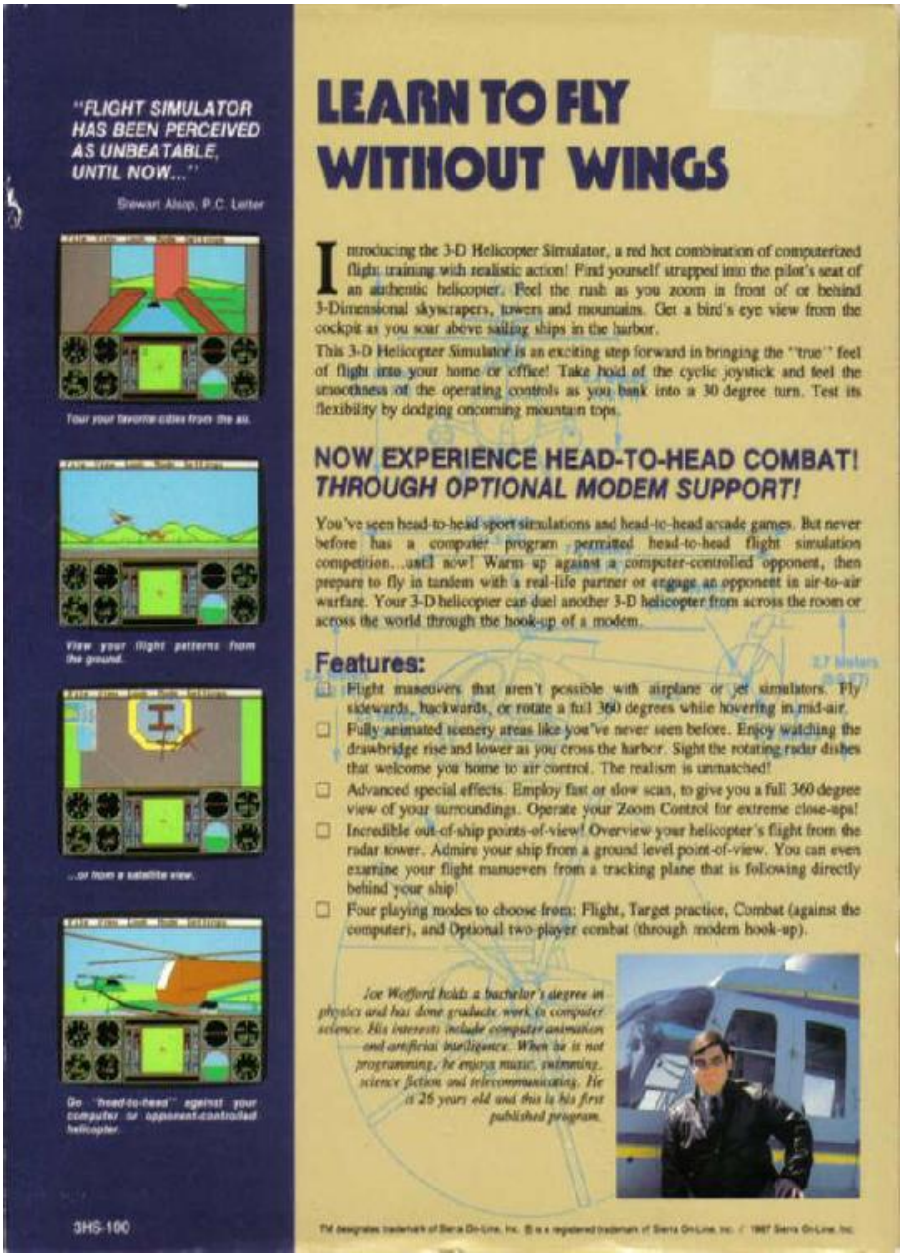
We had launched our first flight simulator, which also broke new ground as the industry's first multiplayer (via modem) flight simulation.

> ***You've seen head-to-head sports simulations and head-to-head arcade games. But, never before has a computer program permitted head-to-head flight simulation competition … until now!***
>
> **From the back of the 3D Helicopter Simulator Box**



Sierra and Disney
Two well-known brand names!


SIERRA'S 3-D
HELICOPTER
SIMULATOR
NOW EXPERIENCE
HEAD-TO-HEAD COMBAT ACTION
THROUGH OPTIONAL
MODEM SUPPORT!
SIERRA


"FLIGHT SIMULATOR HAS BEEN PERCEIVED AS UNBEATABLE, UNTIL NOW..."
Stewart Alsop, P.C. Letter
Tour your favorite cities from the air.
View your flight patterns from the ground.
...or from a satellite view.
Go "head-to-head" against your computer or opponent-controlled helicopter.
3HS-190
LEARN TO FLY WITHOUT WINGS
Introducing the 3-D Helicopter Simulator, a red hot combination of computerized flight training with realistic action! Find yourself strapped into the pilot's seat of an authentic helicopter. Feel the rush as you zoom in front of or behind 3-Dimensional skyscrapers, towers and mountains. Get a bird's eye view from the cockpit as you soar above sailing ships in the harbor.
This 3-D Helicopter Simulator is an exciting step forward in bringing the "true" feel of flight into your home or office! Take hold of the cyclic joystick and feel the smoothness of the operating controls as you bank into a 30 degree turn. Test its flexibility by dodging oncoming mountain tops.
NOW EXPERIENCE HEAD-TO-HEAD COMBAT! THROUGH OPTIONAL MODEM SUPPORT!
You've seen head-to-head sport simulations and head-to-head arcade games. But never before has a computer program permitted head-to-head flight simulation competition...until now! Warm up against a computer-controlled opponent, then prepare to fly in tandem with a real-life partner or engage an opponent in air-to-air warfare. Your 3-D helicopter can duel another 3-D helicopter from across the room or across the world through the hook-up of a modem.
Features:
Flight maneuvers that aren't possible with airplane or jet simulators. Fly sidewards, backwards, or rotate a full 360 degrees while hovering in mid-air.
Fully animated scenery areas like you've never seen before. Enjoy watching the drawbridge rise and lower as you cross the harbor. Sight the rotating radar dishes that welcome you home to air control. The realism is unmatched!
Advanced special effects. Employ fast or slow scan, to give you a full 360 degree view of your surroundings. Operate your Zoom Control for extreme close-ups!
Incredible out-of-ship points-of-view! Overview your helicopter's flight from the radar tower. Admire your ship from a ground level point-of-view. You can even examine your flight maneuvers from a tracking plane that is following directly behind your ship!
Four playing modes to choose from: Flight, Target practice, Combat (against the computer), and Optional two-player combat (through modem hook-up).
Joe Wofford holds a bachelor's degree in physics and has done graduate work in computer science. His interests include computer animation and artificial intelligence. When he is not programming, he enjoys music, swimming, science fiction and telecommunicating. He is 25 years old and this is his first published program.
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We were on a roll!

In 1987, Sierra spoke with an investment banking firm about taking the company public.

To make a long story short, “Going Public” means that the company has met the criteria to offer shares of stock to virtually any investor. The US government has an agency, called the Securities Exchange

Commission (SEC) that establishes rules for, and monitors, public companies.

When a company goes public, it is a complicated process. The process of going public is called an Initial Public Offering, or IPO. Most stock in an IPO is purchased by mutual funds. In Sierra's case, for our IPO, most of the stock would be purchased by funds that specialize in investing in small, but promising and rapidly growing, technology companies.

For Sierra to perform an IPO we would need to work with a series of Investment Banking firms who would try to excite mutual funds around the country about purchasing Sierra's stock. My job as the CEO would be to travel to dozens of these mutual funds and explain to them why Sierra would be a company worth investing in. There is usually some stock purchased by individual investors during an IPO, but the mutual funds usually have the priority and stock is typically offered only to the favorite customers of the investment banks.

The amount of money raised by a company can vary during the IPO process. As an example: A company might decide to offer ten percent of their stock, and have a general sense that they might raise ten million dollars, but then when visiting mutual funds the deal could be perceived as "cold" and the company raise only seven or eight million, or it might be a "hot" deal and the company raise fifteen or more million. The actual price per share is not established until the end of the marketing process. After weeks of touring mutual funds, the company and the investment bankers meet for a "pricing meeting" at which the bankers talk about what price per share they think the company merits. At this point the bankers will have spoken to the mutual funds and determined their appetite for the stock. If the price is too high the mutual funds will pass on buying stock. In some cases, the price comes in at an unacceptable level and the deal is canceled. As they say, "No deal is done until the check is in the bank." I had not realized how true that was.

In the fall of 1987 Sierra launched our IPO and I spent weeks on the road visiting mutual fund after mutual fund. In those days, this was done by carrying around a circular slide tray. I would show up a meeting room, wearing a business suit, enter a meeting room, give my presentation to a mutual fund manager, answer a few questions, then head to my next meeting. By the time I had given the same presentation ten to twenty times I was on auto-pilot. I knew what the audience seemed to like, what humor got a laugh, and when to quit talking. The investment bankers who accompanied me on the

roadshow had heard the pitch so many times they easily could have recited it line by line, with or without me.

I have a few memories, not all of them good, from these roadshows. On one trip, as I was leaving home I grabbed the bag holding my suit and drove the three hours to the San Francisco airport to head east for my meetings. The next morning as I opened the bag I was floored by a horrible odor! My suit smelled like cat pee! And, for a very good reason. Apparently one of our cats had somehow found a way to get inside the suit bag and used my suit as a litter box. I had to show up for several meetings in my travel clothes (jeans and a t-shirt). No mutual fund manager had ever seen someone show up dressed so casually before. On another occasion, I remember arriving in Florida for a meeting during a hurricane. We had the meeting in a skyscraper that was moving with the wind, while the mutual fund managers rushed me through the meeting, as we were hearing windows get blown out around the building.

On the positive side, I quickly realized that every wall-street related person in the country seemed to be a Leisure-Suit Larry fan. As soon as I uttered Larry's name the mutual fund buyers would immediately start laughing and paying attention. Everywhere I went, I was greeted with open arms.

Finally in October of 1987, it was time for the pricing meeting. Our road trips had been a success!

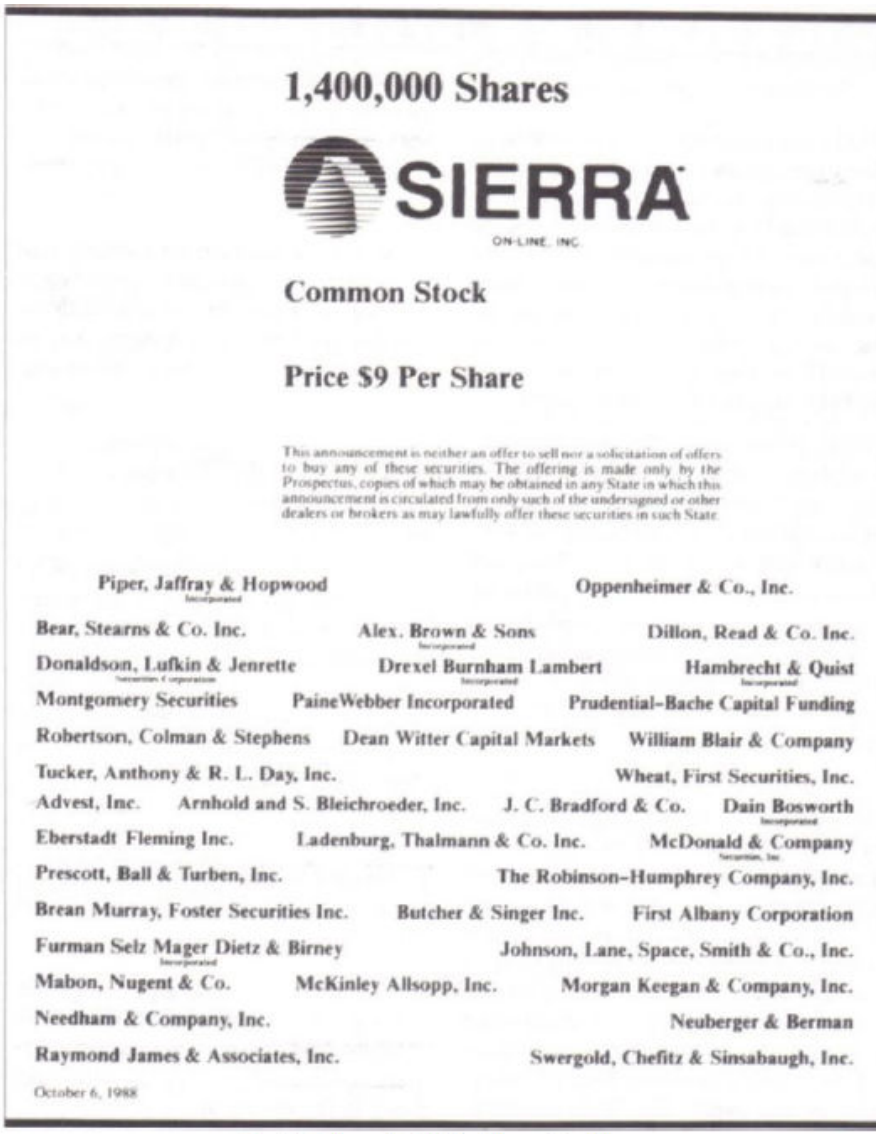
As I was driving to San Francisco looking forward to getting the deal done and depositing a very large check, I received a call from the bankers saying that I should turn back and that it was a bad day to consummate the transaction. "We'll need to give it a few days and see if the market gets better, " they said.

> ***On October 19, 1987—known as Black Monday—the DJIA fell by 508 points, or by 22.6%. Up to this point in history, this was the largest percentage drop in one day. The crash sparked fears of extended economic instability around the world.***
>
> **Investopedia**

The market had crashed and the deal was canceled. All of my travel had been for nothing.

A year later, we tried again. This time we did it without cat pee, hurricanes or even a stock market crash, and had a good result.

This was the long awaited, hard earned, and dreamed of, result:



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Common Stock

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October 6, 1988

On October 6, 1988, Sierra On-Line
started trading on Nasdaq under the symbol SIER

- INTERLUDE -

(A brief pause in the story, so I can wedge something in)

Memories of Meetings With Industry Titans

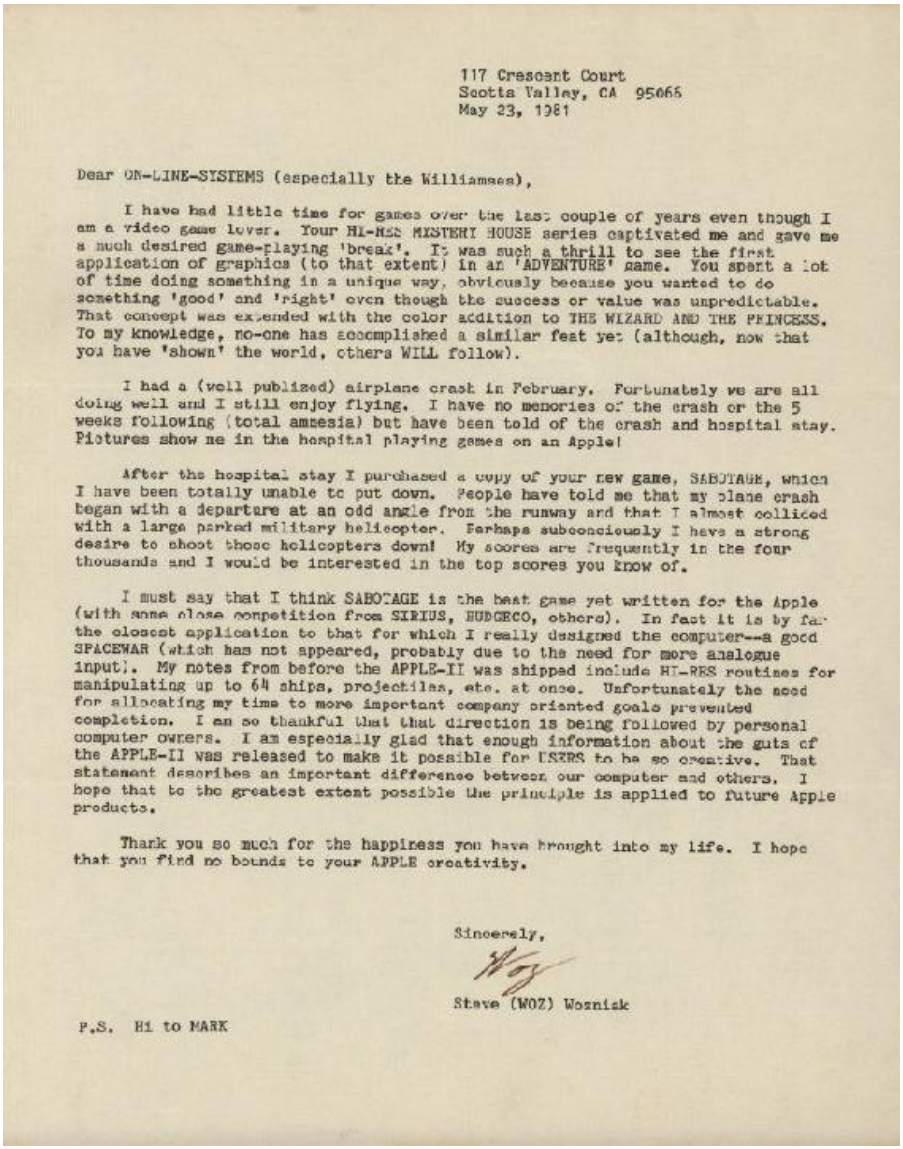
Chapter 23:

> ***"I don't think I'll ever act again. I have so many wonderful memories, but those days are over."***
>
> **Sean Connery**

Meeting Steve Wozniak

Apple was a little company during Sierra's early days. It was possible to call Apple and ask for Steve Wozniak or Steve Jobs and they would come onto the phone.

The racquetball court at our home in Oakhurst, Ca with its Apple Logo



117 Crescent Court
Scotts Valley, CA 95066
May 23, 1981

Dear ON-LINE-SYSTEMS (especially the Williamses),

I have had little time for games over the last couple of years even though I am a video game lover. Your HI-RES MYSTERY HOUSE series captivated me and gave me a much desired game-playing 'break'. It was such a thrill to see the first application of graphics (to that extent) in an 'ADVENTURE' game. You spent a lot of time doing something in a unique way, obviously because you wanted to do something 'good' and 'right' even though the success or value was unpredictable. That concept was extended with the color addition to THE WIZARD AND THE PRINCESS. To my knowledge, no-one has accomplished a similar feat yet (although, now that you have 'shown' the world, others WILL follow).

I had a (well publized) airplane crash in February. Fortunately we are all doing well and I still enjoy flying. I have no memories of the crash or the 5 weeks following (total amnesia) but have been told of the crash and hospital stay. Pictures show me in the hospital playing games on an Apple!

After the hospital stay I purchased a copy of your new game, SABOTAGE, which I have been totally unable to put down. People have told me that my plane crash began with a departure at an odd angle from the runway and that I almost collided with a large parked military helicopter. Perhaps subconsciously I have a strong desire to shoot those helicopters down! My scores are frequently in the four thousands and I would be interested in the top scores you know of.

I must say that I think SABOTAGE is the best game yet written for the Apple (with some close competition from SIRIUS, BUDGECO, others). In fact it is by far the closest application to that for which I really designed the computer--a good SPACEWAR (which has not appeared, probably due to the need for more analogue input). My notes from before the APPLE-II was shipped include HI-RES routines for manipulating up to 64 ships, projectiles, etc. at once. Unfortunately the need for allocating my time to more important company oriented goals prevented completion. I am so thankful that that direction is being followed by personal computer owners. I am especially glad that enough information about the guts of the APPLE-II was released to make it possible for USERS to be so creative. That statement describes an important difference between our computer and others. I hope that to the greatest extent possible the principle is applied to future Apple products.

Thank you so much for the happiness you have brought into my life. I hope that you find no bounds to your APPLE creativity.

Sincerely,

Steve (WOZ) Wozniak

P.S. Hi to MARK

Letter from Steve Wozniak:

May 23, 1981

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Sincerely,
Steve (WOZ) Wozniak

The first time I met Wozniak, Roberta was with me and we were at Apple's headquarters in Sunnyvale. We were directed to Wozniak's desk, which had an ironing board sitting next to it. Wozniak was there, and was very excited. He said he had discovered a new way to duplicate disks that he wanted to show me. This would have been in the early '80s because I remember that we were still duplicating games on floppy disks.

In the early days Sierra used one generic label

and individually printed the game name and version

Wozniak had one of our games and had slit the side of a floppy disk, removing the magnetic material (media) from the center. He then placed the media between two towels, followed by removing the media from another blank floppy and placed it directly onto the ironing board. Placing the game media on top of the blank media with a towel between them, and a towel above, he then applied a hot iron to the stack. A minute later he removed the blank media, put it back into its floppy disk sleeve, and proceeded to show that the freshly copied game would boot!

I'm sure it was a simple magic trick, but I was totally sucked in. Score one for the Woz (Wozniak's nickname). He got me.

Steve Jobs was there that day and barely looked up from his computer. We shook hands when Wozniak introduced us but he looked like he had much better things to do than to be introduced to a shaggy looking software developer and his wife/game designer who had come down from the mountains.

Months later I received an invite to a birthday party at Wozniak's house. Roberta and I attended and I only have a couple memories from that day. First, was that Woz had a swimming pool that extended from under his bedroom to the outside! I had never seen anything like that before. The second was that he was talking about doing a festival

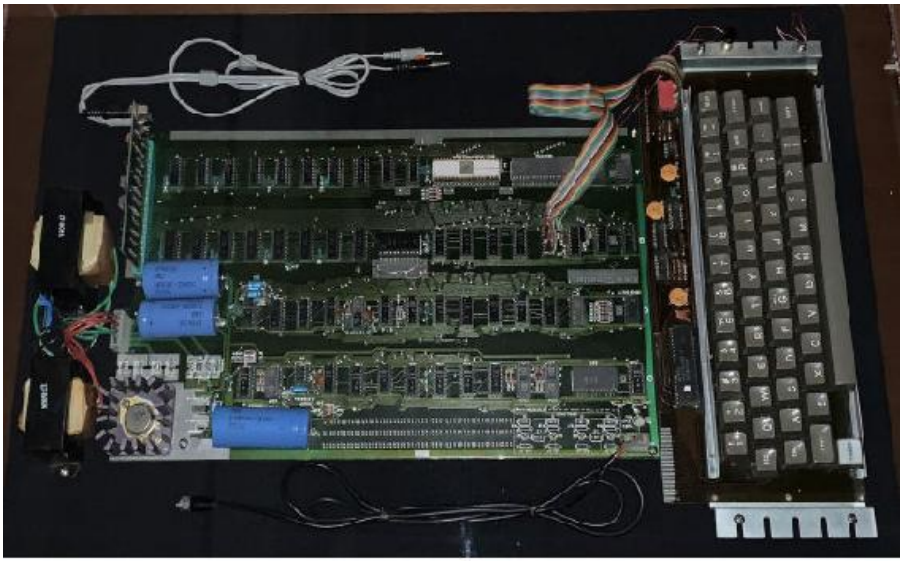
similar to Woodstock. He said he had studied Woodstock, and understood how things went wrong, and wanted to host a festival that would pack in the kinds of performers and audience of Woodstock but without being the logistical and financial disaster.

He went on to do two “US” festivals, and I don’t believe either fulfilled his expectations.

Our most interesting meeting occurred after a computer show in San Francisco. Woz went to dinner with Roberta, Dick Sunderland (who was President of Sierra at the time,) and me. I remember that I drank more than I should have and was feeling no pain when Roberta and I returned to our hotel afterwards. Soon after we went to bed, we were awakened by a phone call from Oakhurst. Our house was on fire!!!!! We had left our two young sons with a babysitter. I was groggy but the most important question was, “Are our sons ok?” The answer was that the babysitter had gotten them out and all was fine. The fire department was still there, trying to put out the fire.

Roberta and I rushed to our car and drove the three hours to Oakhurst. In those days there were no cell phones, so we worried all the way home. Were the kids really ok? How badly had the house burned? It was a very long three hours, although I am sure that I exceeded the speed limit and trimmed the time by 30 minutes or more.

When we reached the house, there was no house. Nothing was standing, not one board. The fire department was still there, hosing down the inchtall pile of charcoal that had once been our home. Both children, and the babysitter, were standing nearby watching the action. The kids were in their pajamas. Nothing had been rescued. All of our photographs, videos, souvenirs, clothes, computers, furniture, basically everything we owned, had burned.



My cherished Apple 1 computer

Amongst the items that burned was my Apple 1 computer. It had been personally made by Wozniak and Jobs, and was one of only about seventy that had ever been made.

Roberta and I went to a hotel that night with nothing but the clothes on our back, the two kids in their pajamas and the suitcase we had taken to San Francisco with one change of clothes. The next day was spent shopping and looking for a rental home.

Word spread quickly in the industry about our fire. Wozniak called saying he heard about the Apple 1 burning and would help me try to find another. Sure enough, a friend of his called me saying he had an Apple 1 he'd be willing to swap for some Sierra games. A great deal, and a wonderful piece of Apple's history that I will cherish forever.

Meeting Steve Jobs

I encountered Steve Jobs a few times over the years, but was always ignored by him. It didn't bother me. I was a nobody compared to what he was creating at Apple.

That said… We did bounce off of each other on two notable occasions.

Apple Lisa Computer,
named after his daughter

One day, I was surprised by a call from Apple. I don't remember who called, but it wasn't Jobs. The caller said that Apple was coming out with a new computer and Steve Jobs wanted to name it the "Lisa." At that time, Sierra was selling a programming language called Lisa. It was a 6502 assembler and wasn't selling many copies. I said I'd trade the rights to use the name Lisa for six pre-release Lisa computers. The Lisa was going to target the business market, and I had no idea what I would do with the machines, but thought they could possibly be used in product development. Who turns down free hardware? And, it was a favor for Steve Jobs! Maybe he'd remember my name someday. Best of all, we could continue to market our Lisa assembler, so there was no reason not to do the deal.

Years later, I heard the rest of the story: Jobs had a secret illegitimate daughter named Lisa that he wanted to name the computer after.

> ***He [Jobs] claimed that the Apple Lisa was not named for her, and had his team come up with the phrase "Local Integrated Systems Architecture" as an alternative explanation for the project's name. Decades later, Jobs admitted that "obviously, it was named for***

> ***my daughter"***
>
> **Wikipedia**
> **https://en.wikipedia.org/wiki/Apple_Lisa**

When we were doing *King's Quest VI,* Jobs had left Apple, formed another computer company named NeXT, and gone on to purchase a graphics company from George Lucas that he renamed Pixar to make animated films. I wanted an exciting opening animated sequence for *King's Quest VI*.

I called Pixar, asking to speak with "Mr. Jobs," and identified myself. A minute later Jobs was on the phone. I was dumbfounded! I had never expected him to take the call. For some unknown reason, he was in a good mood. For at least the moment, I had crossed over from obscurity to being someone worth talking to. It wound up being a nearly 45 minute call where we talked about the industry, animation, his time at Apple, the cartoon called Toy Story he was working on, and more. He claimed to know exactly who Sierra was, and who I was. Whether he remembered the Lisa naming deal I did not know and was not about to ask. I was just happy to be talking to someone I considered a god. He said he'd love to do the cartoon for *King's Quest VI* but was bogged down on *Toy Story* and couldn't free anyone to work on the project. I wasn't surprised, but was disappointed. I will never know why he took the call. But, I will never forget it.

We never spoke again.

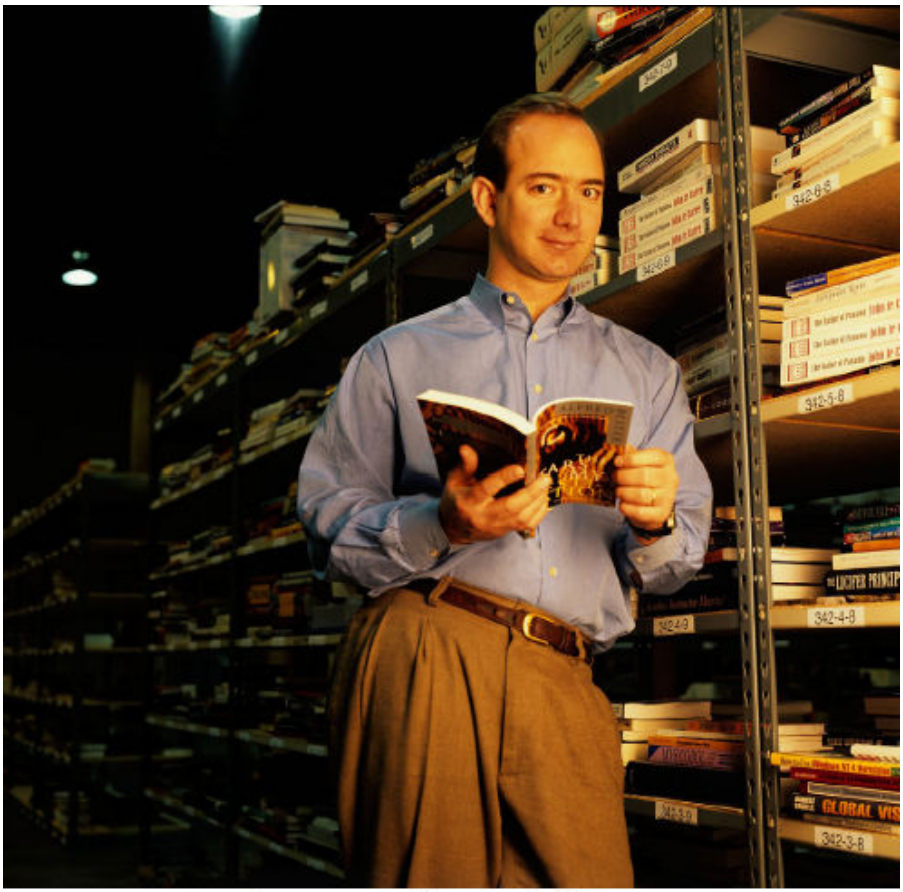
Meeting Jeff Bezos

When Sierra moved to Bellevue in 1993, one of the many reasons I was looking forward to being in Seattle was to have a peer group of other software executives to hang out with.

I searched and discovered that there was indeed a Washington Software Association with 500 members! I contacted them and asked about their membership. Specifically, I asked, "How many of your members have over 100 employees?" The answer came back: One. Microsoft. "What about 50 employees?" The answer was still: One. Microsoft. The bottom line became that the Association was comprised of not much more than a lot of ex Microsoft developers, many with money made exercising their Microsoft stock options. They had wishes and dreams of starting their own software company, but none of them had significant revenues.

I quickly lost interest and never joined the association.

Later though, when I retired in 1998, I noticed a budding software company called Amazon that was starting to get some attention. I couldn't figure out what to do with my life and phoned their founder, a young man named Jeff Bezos to see if there was anything fun we could do together.



Amazon.com founder Jeff Bezos

Jeff invited me to his office. There wasn't much to it, and in those days he prided himself on being non-ostentatious, down to having an old door as his desk. We talked about what he was trying to create, and the work I had done on NetMarket (a pioneering on-line shopping system that I'll talk about later in this book). At that time, Jeff and his wife were going to the local Barnes and Noble bookstore to scan book jackets. He asked if there was something I could do to take over that piece of the puzzle. I had done plenty of projects with large databases, and taking over that function would be a natural fit.

But, it sounded boring. I wanted something that involved consumer entertainment. I wanted into movies or something exciting. Building the database for a bookseller didn't sound like it had enough sizzle. I thought he was on to something, but a few weeks later I sent him a Dear John letter passing on the opportunity.

> ***"Jeff: Thanks for taking the time to meet with me, and for the meeting with VP Al Gore. I've finally decided what my next project is. I scrapped the idea to scan the book jackets. I do believe something like what I envisioned would be good for the industry, but my heart wasn't really in it. My wife, Roberta, insisted that I should look for something I was passionate about and stop being so analytical in my quest.***
>
> ***Here's what I settled on … I'm starting an internet broadcasting company. My long-term vision is to create a major new network transmitting via the internet. I'm starting with Talk Radio, and plan to start with three channels of original programming (political, sports and 'other'). I've already rented office space in Bellevue and plan to be broadcasting by March. Listeners will hear the host and caller, as on the radio, but be able to chat amongst each other. Additionally, the host can instantly distribute multimedia materials or trigger instant surveys. It will be an ad-supported business model. My plan is to go after the top talk show hosts (Limbaugh, Art Bell, etc) to see if they will accept equity in return for hosting and PR duties. Thus far, indications are VERY positive. Thanks again for the meeting. I'll let you know when we're 'on the air'. Thanks! - Ken Williams"***

Email from Ken Williams to Jeff Bezos, January 1998

The response came back:

> ***"Sounds interesting and cool. I think Roberta gave you good advice on picking something you're passionate about. Best of luck and stay in touch"***

Jeff Bezos, January 20, 1998

At the time I was "the big guy" at the table, and Amazon was a young growing software company. A couple months ago Roberta and I were at dinner in a downtown Seattle restaurant while Jeff and his

girlfriend Lauren were at the next table. I don't know if he ever glanced over and noticed us. If he had, it's unlikely he would have recognized Roberta or me. Times have changed, and I missed a VERY big opportunity. Oops. Instead, I went on to lose millions of my own, and investor's, money on a failed internet talk radio company.

Meeting Bill Gates

As mentioned elsewhere in the book, Bill Gates was always my hero and the person I most wanted to emulate.

As with Jeff Bezos, if we bumped into each other on a Seattle street I'm sure he wouldn't recognize me. But, back in the day, we ran into each other a few times.

The first time we met was at a San Francisco press conference when Microsoft was launching *Windows* as a replacement for MS-DOS, a prehistoric text-based operating system. I was there to take a look at *Windows* and try to decide how Sierra was going to adapt our products to it.

Bill Gates of Microsoft

Bill Gates was there in the flesh and after making the announcement was quickly surrounded by reporters eagerly asking questions.

I had a long series of questions about *Windows* that had not been

answered during the presentation and I didn't want to return to Oakhurst without answers. I walked over to the circle of reporters seeking anyone with a Micosoft badge. I found someone and asked, "Is there anyone here who is a techie? I have questions." Bill himself shouted to me from where he was trapped with all the reporters, "I can help you." He looked very relieved to have an excuse to escape the reporters and we stepped outside the room where Bill proceeded to answer every question I could throw his direction. I had always thought he was a genius, but now I had proof.

Our next meeting was at a hotel in San Francisco where we were negotiating Microsoft's possible purchase of The Sierra Network. I talk about that in detail in another chapter, but I'll talk about a couple memories from our meeting here.

At one point I asked Bill directly why he wouldn't acquire all of Sierra. I didn't really want to be acquired but Microsoft wasn't in the game business, and it seemed to me a natural category for them. Bill thought for a minute about his response and said that he really didn't like the games segment. It was too hit oriented. He cited the example of United Artists, a legendary film company, who was going through disastrous times. Bill said that when you are in a business that depends entirely on having a series of hits, it just a matter of time until you fail. You can't ship hits forever and sooner or later revenues will collapse. The industry is too volatile.

This made sense, and I often cited this conversation as part of why I was so insistent on diversifying Sierra out of "just games." I wanted to get to a position where our revenues were diversified across entertainment, education and productivity software. I saw it as our best hope for corporate immortality.

After our meeting, there was an incident I found funny. We met for several hours, with just the two of us, in a large meeting room at a hotel in San Francisco. As we were breaking up a hotel employee suddenly came into the room. "Who is Mr. Bill Gates?," he asked. I was astounded that there was someone who didn't recognize The Bill Gates. "Why?," asked Bill. "I have the bill for the food and drinks," came the reply. "What food and drinks?," asked Bill. The waiter pointed at some stale pastries sitting at the back of the room and a bowl of melted ice with some soft drinks floating in it. We had never noticed it. Bill was indignant and thought it was ridiculous. The hotel wanted $42 for service we hadn't ordered and didn't use. He refused to pay. The waiter was persistent, and was threatening to go seek his boss. I offered to pay. This got Bill to agree to pay, and he offered his

credit card. I thought it was bizarre that we had been discussing tens of millions of dollars, and then the meeting ended in debate over a $42 bar tab.

Our last encounter came when I tried to buy *Microsoft Flight Simulator* directly from the author, Bruce Artwick. I negotiated a good price. I forget the details, but recall it as $50 million. The problem was that Microsoft had the exclusive publishing rights and was paying a royalty to Bruce Artwick. My feeling was that this was fine. I was happy to take the royalties being paid to Bruce Artwick and continue using Microsoft as the publisher. The income from Microsoft would be pure profit and fall straight to Sierra's bottom line.

I met with the marketing department at Microsoft headquarters to discuss the pending acquisition, and to my enormous surprise Bill himself came into the meeting. I had considered this to be many notches below his level and an infinitesimal piece of Microsoft's revenue. I explained my plan to acquire *Microsoft Flight Simulator* and gave my pledge that Sierra would honor the Microsoft publishing agreement. I meant it. Bill sat quietly as Microsoft's team asked what I foresaw when the agreement would come up for renewal. I said that I respected Microsoft and that, as proud as I was of Sierra's distribution ability, I felt Microsoft had us beat. I was happy to work with Microsoft and wanted to see the relationship continue.

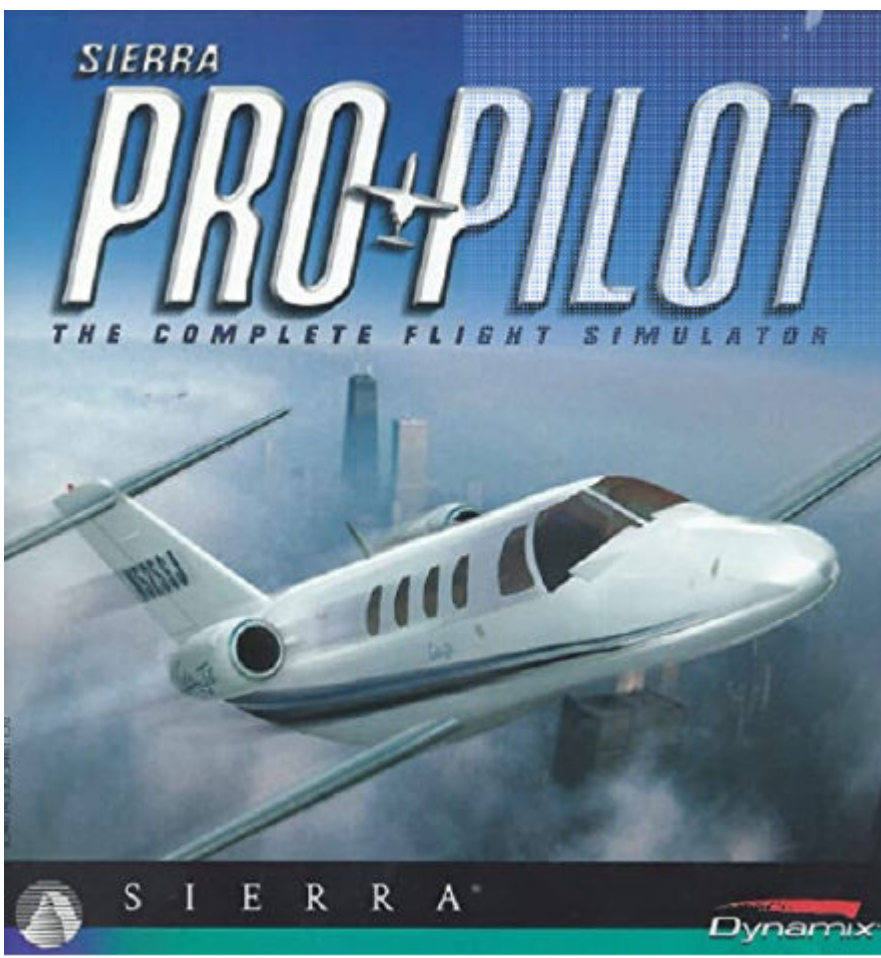
Bill was not happy. He pointed out that he felt Microsoft would not want to publish a Sierra product and would have to ask whether or not they should continue to push *Flight Simulator* if Sierra were to acquire the product from Bruce Artwick. I was shell-shocked. It had never occurred to me that Microsoft would blow up what I thought was a done-deal. The meeting ended poorly. I was sure Gates was bluffing and that Microsoft would not stop selling *Flight Simulator*. He obviously had some personal interest in the product. It can't have been a material part of Microsoft's revenue and I wasn't planning to do anything other than to continue evolving the product with Microsoft still selling it.

I called for a Sierra board meeting and argued that we proceed with the purchase. The board wasn't going for it. It was simply too much money. Microsoft held the exclusive rights to market the product and if they were to quit marketing the product, we'd have spent $50 million on nothing. That would be a tough one to explain to Sierra's shareholders!

Microsoft went on to purchase *Flight Simulator* for themselves.

Not one to give up lightly, I decided to fight fire with fire. Bruce Artwick had previously been partnered with Stu Moment to form a company called SubLogic. When the two of them split Stu had maintained the rights to sell and continue to evolve a copy of the code base. I put together a deal to market the code for SubLogic under the name *Pro Pilot*.

Dynamix, makers of *Red Baron* and *Aces Over the Pacific* took over the project. I knew that we would be starting with minimal market share but that with a little effort we could present a serious competitor to *Flight Simulator* within a few years. I had zero doubt that for a heck of a lot less than the $50 million I had been prepared to pay, Sierra could capture a large share of the flight simulator market.



Sierra's answer to Microsoft Flight Simulator

We were committed to the product and planned to start with minimal

market share, but add a few percent per year to our market share, forever. Competing with Microsoft head to head would not be easy, but Microsoft, at the time, was not focused on games. It was a chance to have a perennial product in a very large product category

NOTE: This book was written in 2020 and Microsoft has just launched a major upgrade to Flight Simulator. The visuals are so incredible that I've seen video captures on YouTube that look indistinguishable from reality. It's hard to imagine we could have done anything that amazing, but to be fair, it has been nearly 25 years, and had Sierra continually updated Pro Pilot for all that time ... maybe. I'd like to think so.

(1989) The Sierra Network

Chapter 24:

> ***"When I was in college, I wanted to be involved in things that would change the world."***
>
> **Elon Musk**

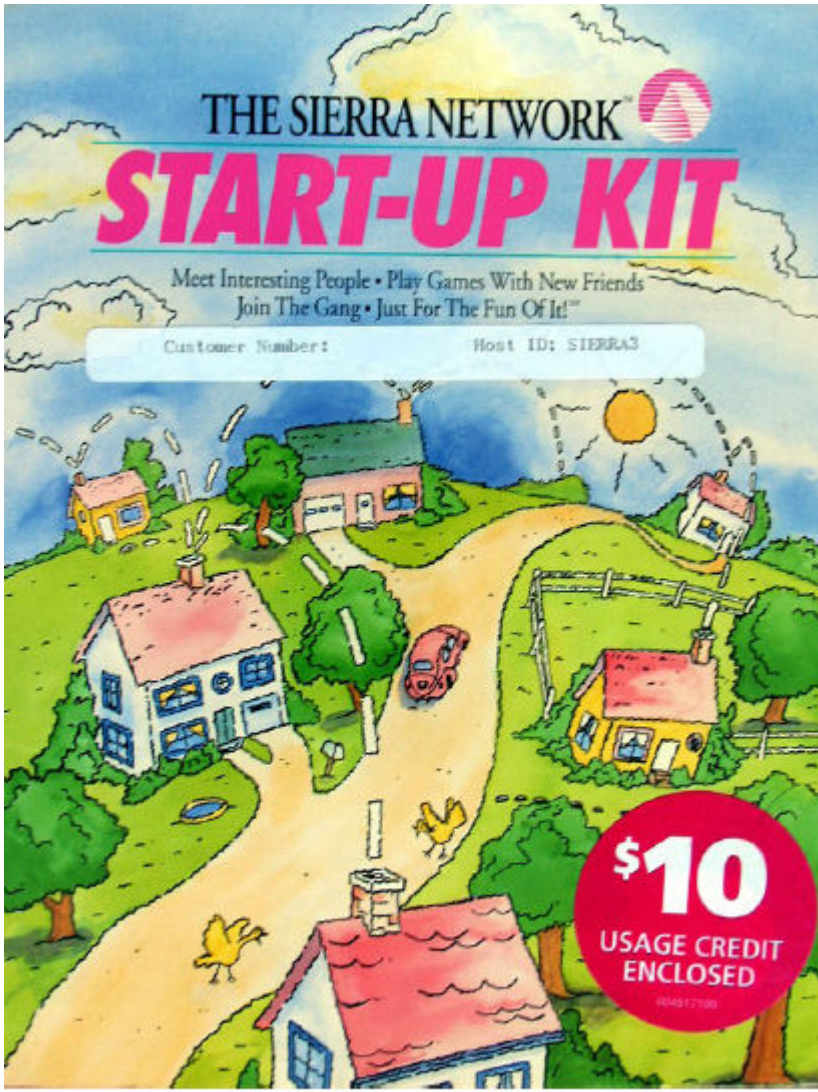
It hurts to think about Sierra. It pains me to think about the employees whose careers were sidetracked by Sierra's collapse, especially the employees who lived in Oakhurst and found themselves owning homes they could no longer afford and with no jobs in the surrounding area.

I also think about the companies that Sierra acquired. They were doing fine on their own, shipping awesome product and growing. They gave up their independence because I convinced them that they would be stronger with Sierra.

To this day, I've never really followed up to hear what happened. I know without asking. There were bankruptcies. There were promising game designers whose careers were shut down. There are products that will never happen. I was certain I had built a company that couldn't be destroyed, and I was wrong.

And, there's the biggest sadness of them all:

The Sierra Network (aka TSN)
Later renamed as:
The ImagiNation Network (INN)



To connect to Sierra's online games network
customers bought a start-up kit at retail stores

The list of “firsts” for Sierra is very long.

I always said that Sierra’s place in the industry was to be a leader. I felt that it was our job to figure out where the industry was going and get there first. Leaders lead, and followers follow. Sierra was a leader.

Not only were we leaders, but we had a company name that spelled out clearly our ambitions. We were Sierra On-Line, and in 1989 there wasn’t much online, and what there was, wasn’t from us.

That had to change.

To put the year 1989 into context, the World Wide Web (aka "the internet") as we know it today, with web pages, wasn't introduced to the public until 1991. The internet existed only in colleges and was nothing like what exists today. Email wasn't yet in widespread usage, other than on local area networks running inside businesses. 1989 doesn't seem like that long ago, but technologically speaking, it was the stone ages.

For some reason, I was thinking about my grandmother. She was getting older and once you pass a certain age your universe starts shrinking. It gets tougher to go places. Unless someone took her someplace, she was stuck sitting home with nothing to do.

I suddenly had an idea:

> ***"What if I could invent something where my grandma could pick up a card game 24 hours a day 7 days a week?"***
>
> **Ken Williams, 1989**

It wasn't just the idea of playing cards. I wanted the ability to create an on-line community where she could make friends, socialize, and just have fun without leaving her home.

My vision was broader than just seniors playing cards, but I knew it was a great place to start. In the back of my mind was to do things like multiplayer flight simulators, online gambling, etc.

I always believe in a crawl, walk, run strategy when pioneering.

To do multiplayer card games, with simultaneous chat, there would first need to be a way for computers to connect to each other, and in those days there was no high-speed two-way communication into homes. Dial-up modems did exist, but they ranged in speed from 300 baud to 2400 baud (in non-technical lingo: from impossibly slow to horribly slow).

The word "baud" is kind of a strange word. It means: bits per second. The average letter or number consumes 9 bits. Thus, a 2400 baud modem could transmit 260 numbers or letters, or a few sentences of text, in a second. In actual practice it is somewhat slower than that because you need to allow for bi-directional communication, but overall, for text-based communications it is more than adequate. To

give a sense of how today's data rates compare, if you have 100mb service, it can also be said to be 100 megabit, or 100 mega baud. That's 100 MILLION bits per second. Data speeds have come a LONG way since 1989.

Anyway … back to the birth of The Sierra Network (TSN)…

Downloaded From.....
SIERRA
BBS
Including Dynamix Support!
24 Hour Hint Service Available!!
(209) 683-4463
Parameters: N/8/1 v.32 v.42 MNP5
300/1200/2400/9600 baud
Coarsegold, CA. 93614
* Toll Free Sales 1-800-326-6654 *
Merry Christmas and Happy Holidays from all of us at Sierra On-Line
Type INSTALL to configure the Christmas card. Type SIERRA to run.
Press <ALT> Q to Quit.
Continue with Self Extraction? [Y/N]

Dial-up text-based services were coming online quickly in 1989. Sierra operated a dial-up text based bulletin board system that was very popular. If a customer had a question about a game (if they wanted a hint) they could use their computer and dial in to our offices where a server at our end would answer and then by navigating a long series of menus a hint would be given. We operated the BBS for many years, and it saved us a LOT of money. Instead of a human needing to take the calls, customers could look up game hints on their own.

The Sierra BBS wasn't invented by us. I don't remember who we licensed it from, but it was an "off the shelf" package. My recollection was that the software would handle multiple users simultaneously and that we could attach a dozen modems to a single computer.

If a standard PC compatible computer could handle multiple users simultaneously, then my multiplayer card game idea should be possible!

I've never been shy about picking up the phone and calling people. I started calling CEOs of computer hardware companies. I made up a picture of a small hardware device that looked about like a standard

video game system and put the name on it, "*The Constant Companion*." The box would attach to the back of a television and have a built-in modem. I envisioned it as a simple device that would require nothing except power, to be connected to a phone line (similar to how you might attach an answering machine), and to be connected to the back of a TV. My pitch to the hardware companies was that they could sell the box into homes for a small price. I was hoping it could be delivered for $99, and then they (the hardware company), and we, could share in the monthly revenue as the device would be used to play games. I envisioned a razor and razor-blade strategy where the upfront purchase would pay for the hardware cost and the big money would be made on the monthly subscription fees, or hourly access fees.

To realize the vision, there was one more piece needed. I needed a communications partner. To handle tens of thousands of subscribers, we would need some way to converge all the phone lines into one common server facility. I needed both a hardware partner and a phone company.

Lastly, I needed the software. There were three major software components that Sierra would need to produce:

1) Server code to handle all the data flowing back and forth between Sierra and the customers.
2) An update to our proprietary programming language, SCI. This would allow games written in SCI to talk to the game server.
3) I needed the games!

My vision made sense to people, and everyone was happy to help. Sierra's board loved the idea, as did the big-company CEOs I was talking to.

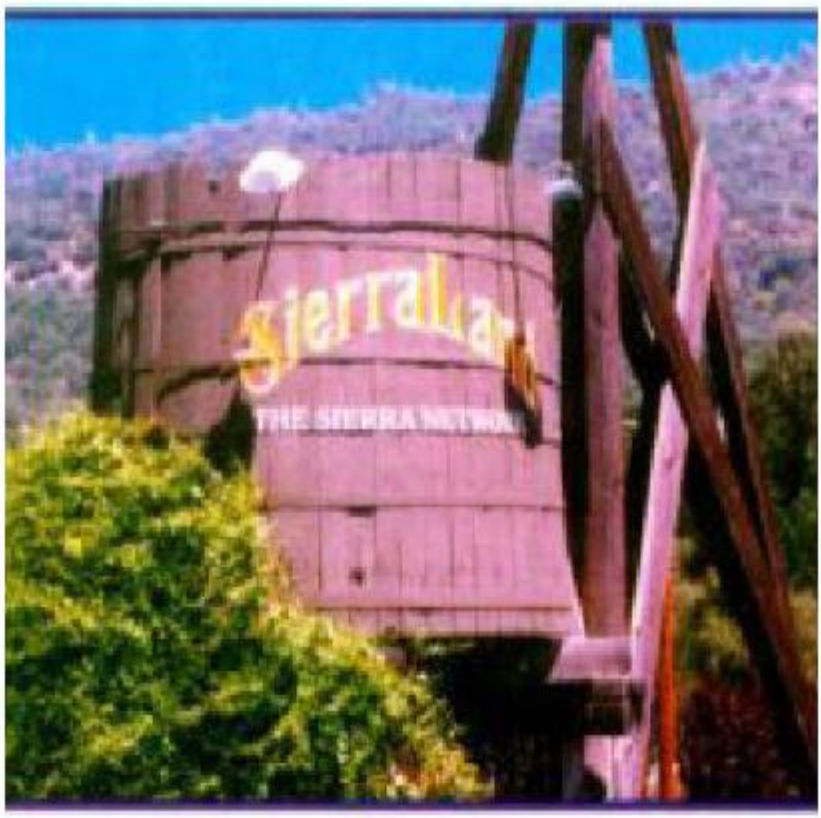
To make a long story short, NEC Corporation, who was making IBM compatible computers at the time, and Sprint, who at the time was a major phone company, each came through to help. NEC donated dozens of PC computers to the project and Sprint provided all the phone lines we needed.

We would test the concept by installing computers in the homes of seniors (age 80 and over) and then, if the project were a success, NEC would look at building the hardware.

To house the development team, and all the servers, we rented a building, called "The Old Barn," which had once been a western themed restaurant.

"The Old Barn"

Our network group was located in a building that had been a western restaurar



I wish I could remember the names of the engineers who worked on

the initial version of *The Constant Companion* (later renamed *The Sierra Network*). Unfortunately, I've forgotten most of them, but some of the names I do remember are: Jeff Stephenson, Bob Heitman, Matt George, David Slaybeck, Stephen Nichols and Al Lowe. I'm sure there were many more people, and all of them are pioneering heroes.

My time with Sierra was magical, and with good reason. Sierra was THE place to work. We were very picky about who we would hire, and because of our dominant position in the industry, reputation for leadership, and unique location, we had our choice of the industry's top players. Whereas most companies can only dream of hiring a Triple-A player, we had an entire stable, and now we even had a barn to put them in.

Al Lowe, Game Designer and Jazz Musician

(Not necessarily in that order)

To design the card games, I turned to Al Lowe, designer of the *Leisure Suit Larry* series of games.

I don't remember if it was Al or I who came up with the idea of adding a "face maker" to The Sierra Network (later renamed The ImagiNation Network). Most games have something similar these days but it was a radically new idea then. We were even able to patent the idea! We borrowed the idea from a kid's game called "Mr. Potato Head." Together with the chat, it added a personal dimension to the card games.

Somehow, we were able to get into testing in under six months. Our team placed the computers into the senior's homes and did the training.

And … BOOM!

Each player was represented in the games by a customizable character

Our initial testing did not go well. At the very beginning, the system would not stay alive for more than a few minutes at a time. Within days it stabilized and would stay up without crashing for hours at a time. Inevitably though, the servers would overheat, or the system would just lock up. Our seniors, who weren't good at computers anyhow, had troubles completing games.

Our testers (seniors) were not people who had ever been around computers, and computers are MUCH friendlier now than they were in 1990. The project should have been doomed before it started, but to our complete surprise, our seniors stuck with us.

Some of it was because they knew they were doing something revolutionary that just might change the world. And, some of it was because they were having fun! For the first time in history people were meeting new people, making friends and playing games without leaving home. We were hearing stories of the seniors sitting for hours at the computers, dialing in again and again, waiting for our system to come back online after a crash.

The Waiting Room,
Where people would meet

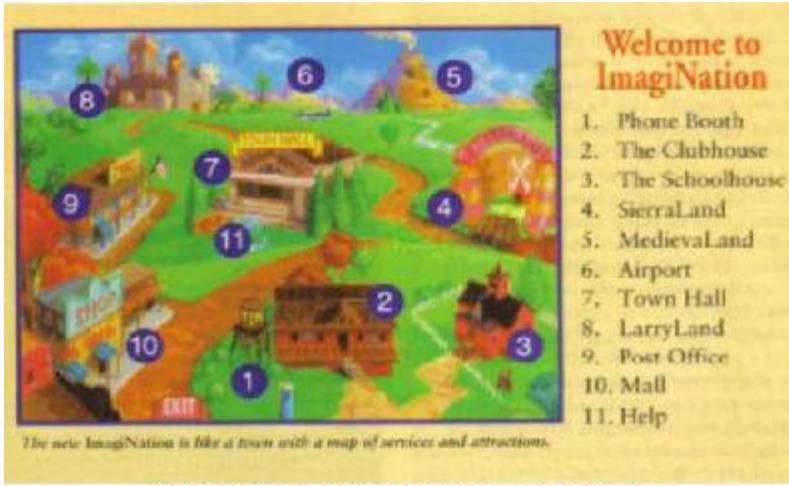
We had work to do, but we had a hit!

Lightning had struck. We had a winner. I immediately knew we had something big. I hadn't figured out how we were going to make money, but it was clear there was a pot of gold at the end of the rainbow. I just had to find it.

We started talking to NEC about building the *Constant Companion* home game machine, but they lost interest in the project, and we decided that the bigger opportunity was to add more games and offer *Constant Companion* to anyone with a computer.

We thought the name *Constant Companion* was too limiting and renamed the product to *The Sierra Network*, or TSN.

My fondness for Disneyland became the inspiration for *The Sierra Network*. Disney had divided their theme park into vertically targeted lands each of which were themed differently. I imagined a virtual theme park with lands of our own. We would have a land with educational games, called “The Schoolhouse.” There would be card games in the “Clubhouse” and for young adults we would have “MedeviaLand” with fantasy role playing games, and for adults there would be "LarryLand" where they could play-gamble the night away.



The Sierra Network (later renamed as ImagiNation)

Main Map

Boogers

Cribbage

Join the network that has the whole country talking!

The Sierra Network (TSN) **links you to game players all over the country.** You can play great games... LIVE... 24 hours a day, in real time... with real people!

If you have an IBM-compatible computer and modem, you can join the jammingest group of gamers in the world.

It's easy and it's cheap. For a mere $2 an hour for evening time (slightly higher during the day) you'll sign on to the world's first "electronic neighborhood".

The Sierra Network Start-Up Kit is available at your favorite software store, or call toll-free:

800-SIERRA-1.

or send check or money order (payable to Sierra On-Line) for $29.95 to:
The Sierra Network
P.O. Box 485
Coarsegold, CA 93614

1. Create your image from a variety of facial features, then list your interests and skill levels.

2. Meet people from all over the country who are ready to play games, LIVE, 24 hours a day.

3. Challenge your new friends at games like cribbage, checkers, chess, hearts, and bridge. And you can "chat" during the game, typing in messages while you play. TSN really does have the whole country talking. Tell a friend!

(Actual TSN Screens shown)

The Sierra Network Start-Up Kit

Includes all the software you need to get started on the system, a comprehensive instruction manual, a list of sign-up phone numbers in your area, and a $25 credit to get you started.

Look for your start-up kit at these great software stores

Discover EGGHEAD SOFTWARE

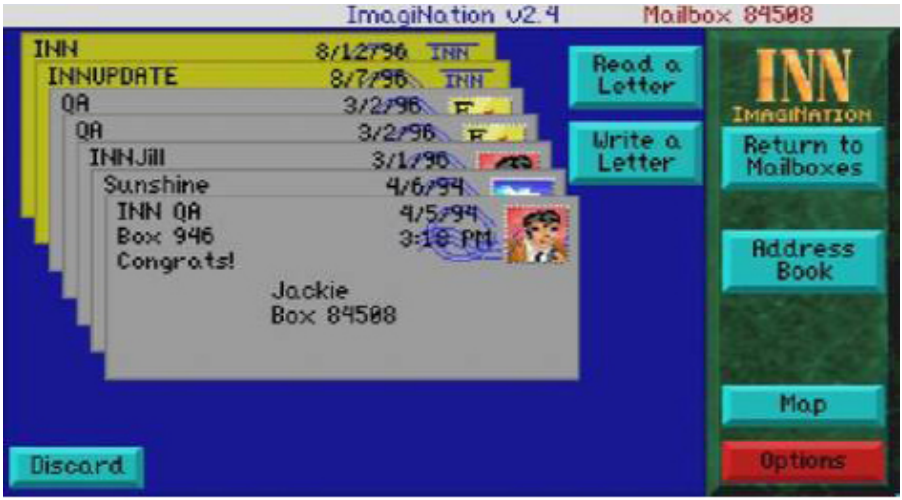
electronics boutique

SOFTWARE ETC

Babbages

CompuAdd

Years before the Internet Sierra had our own online games network



We even had our own email system!

SCI, our proprietary programming language, made it easy to write games. We were able to launch with a wide variety of games right from the beginning.

Changing the world isn't always easy. We had a winner with TSN, but we had trouble figuring out how to make money. There was no internet in those days, and unlike today, there were no free long distance calls. We had to place modems locally in large cities in order for users to connect to the system without paying for a long-distance call. It was costing us more per hour to have customers on-line than we were getting in revenue. We repriced the system several times trying to find a price point that worked both for customers and for us.

Sierra was a public company, meaning people were buying and selling our stock based on their perception of our revenues, earnings and growth rate. TSN was becoming a big drain on earnings and starting to depress the stock. Worse yet, TSN was a drain on cash. With each user we added, the hole was being dug deeper.

To fund TSN we decided to do a "convertible debt offering" of stock. It sounds too good to be true, but the idea was that we would borrow money from investors, and at our option we could pay them back, or the money they borrowed would convert to Sierra's stock at some previously agreed upon price. Assuming that Sierra's stock price would rise, we'd never have to repay the loan.

To sell the idea I made up a slideshow talking about both Sierra and TSN, and went on the road. I traveled the country to met with portfolio managers for mutual funds. No one had ever seen anything

like TSN, and our debt offering sold out easily.

We raised $50 million to fund the roll-out of TSN!

TSN was growing rapidly. We had reached 10,000 users and projections were for over 50,000 users within a year. We needed to quickly grow capacity and put people in place to support them.

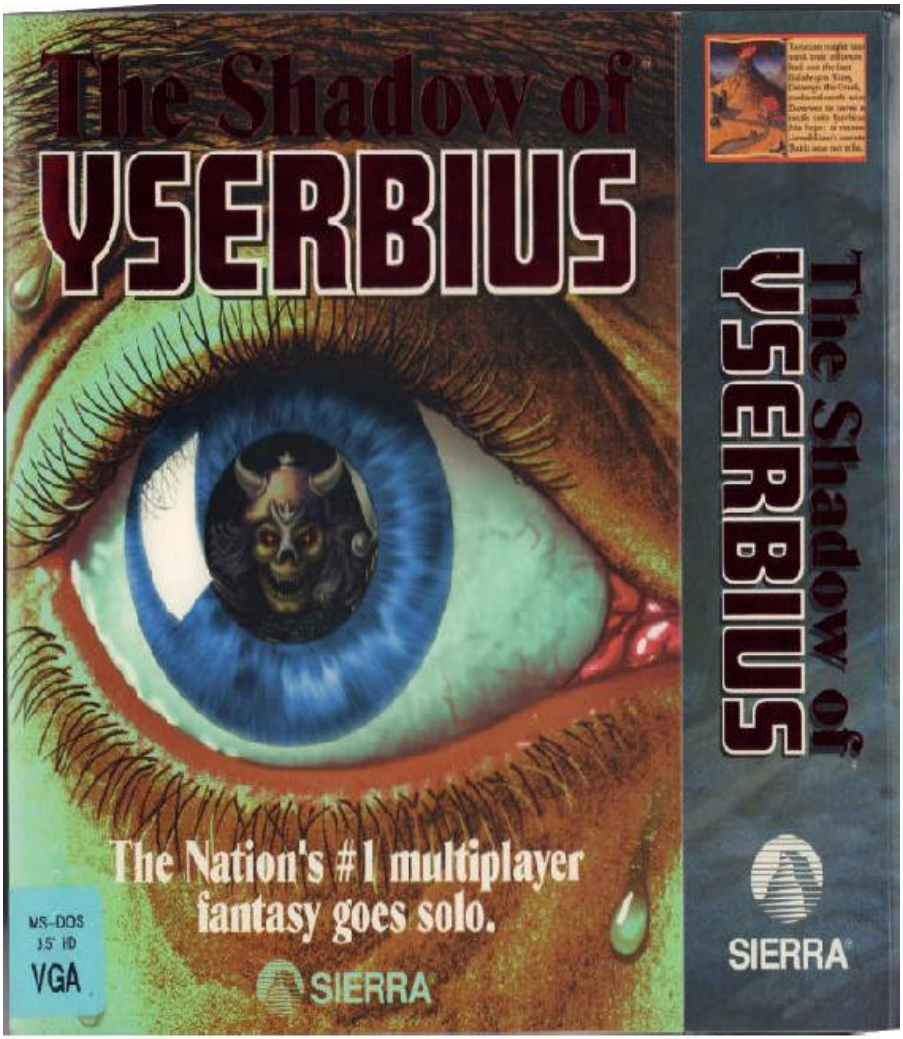
Internally, TSN was becoming a distraction. It was new, cool and fun. And, unlike the rest of the company, TSN had no short-term need to make money.

I was unsure how to compensate our designers. For example, Al Lowe, who designed the initial version of TSN. For his *Leisure Suit Larry* games Al was receiving $2 or $3 for every copy sold. I did not want to burden TSN with royalties and was unsure how to compensate Al. I assured Al that I would sort it out, and probably paid him some fee for the design (or, hope I did!) but after a few months on TSN, Al dropped off the project wanting to go do something with a proven path to a payday.

My favorite idea was to use our computer games to drive subscribers to TSN. We actually did some of this. We produced a game called Yserbius which could be played single player, or if you were a TSN subscriber you could connect and play online.

> ***Half of TSN users during the past year's trial run have engaged in "electronic cross-dressing," pretending to be a member of the opposite sex.***
>
> ***Jeffrey S. Leibowitz, director of marketing for TSN, says almost all TSN members experiment at some point with becoming a person other than themselves.***
>
> ***"It's simple curiosity about how the other half lives," Leibowitz says. "Being us, whoever we are, is tough work. It's nice sometimes to not be you."***
>
> ***TSN is even considering an advertising slogan adapted from the U.S. Army: "Be all that you can't be."***

Washington Post, November 9, 1992



Yserbius could be played as a single player game, or multiplayer

QUEST WITH REAL PEOPLE IN REAL TIME IN AN EPIC THAT'S AS REAL AS A FANTASY CAN GET!
Create your face and personality, modifying your skills, attributes, and character class. Then head out...
...And meet adventurers from all over the country. Form parties and battle monsters with might and magic.
Save your stats and inventory at the end of each session. Your character grows every time you play.
Host a Fantasy Role-Playing Convention in your Computer.
Welcome to the dungeons of Shadow of Yserbius, the new multi-player fantasy role-playing epic on The Sierra Network.
Join real people in real time as you search for the secrets of a kingdom, buried by an ancient curse. Everyone you meet, friend or foe, could be a real-live person.
An Epic Too Big for One Player.
Meet thousands of other adventurers and form parties of up to four. Team up with a Wizard from Wisconsin, a Knight from New Jersey, or a Cleric from Colorado. Talk to Elves, Trolls, Orcs, Dwarfs, Gnomes, and even a few humans from all over America.
all itching to take on the dangers that wait in the dark corners of these dungeons.
At 57¢ an hour, Shadow of Yserbius lets you play with adventurers from all over, all night, every night! (And all weekend, too!)
High-Risk Quest, No-Risk Offer.
If you're 18 or older and have a PC and a modem, you can try Shadow of Yserbius FREE! Access to TSN is a local phone call from most of the continental U.S. Call today for a free trial membership kit and get started on the greatest adventure of all.
Try it FREE! Call:
1-800-SIERRA-1
The Sierra Network
PART OF THE SIERRA FAMILY

TSN's customers were hooked on TSN. Within a couple months of TSN's launch, we had two of our customers who met online get married. Regional clubs were forming of people who played TSN.

We even heard that Bill Gates and Warren Buffet had started playing Bridge each evening via TSN, which may be why Bill Gates personally called to ask if I would be willing to sell TSN to Microsoft.

I was flattered but had no interest in selling TSN. Instead I opened discussions with AT&T about forming a partnership.

TSN was losing money rapidly. Customers were using an incredible number of hours and the more they used, the more we lost. TSN was unbelievably addictive! We were confident that, as TSN grew in subscribers, the economics would change, but even rapid growth came with problems. Although customers who used TSN loved it, our cost of acquiring customers was high.

Having a partner like Microsoft or AT&T made sense, and we had strong interest at the top levels of both companies. A perfect deal would have included both companies, but I was unable to make that happen.

My preference was to go with Microsoft. Bill Gates and I met at an airport in San Francisco trying to make that happen. We worked out a deal where Microsoft would completely take over TSN and Sierra would become a content provider to the network. In other words, we would receive up-front funding and royalties for producing content (games), that would run over the TSN network, while Microsoft would take over running the network and acquiring customers. This had great appeal, in that it would allow Sierra to do what it did best: Make games. And, it would let Microsoft worry about the costs associated with running a network and acquiring customers.

The bad news though was that Microsoft would have completely owned and controlled TSN. Our shareholders, many of whom had just bought our debt offering, would not be happy if we sold off the thing they had just bought into. I also worried about dealing with Microsoft. Bill Gates has a reputation today as a benevolent philanthropist. But, that's not the Bill Gates or Microsoft I felt I was dealing with. In those days Microsoft had a reputation for playing hardball. I felt certain that Microsoft would ultimately cut off Sierra or minimize our involvement.

Both Microsoft and AT&T would have written a large check to purchase TSN, but that wasn't my goal. I wanted to think of TSN as a large distribution channel for our games and create a long-term revenue stream.

AT&T was willing to partner 50/50 with Sierra on the roll-out of TSN. The idea was that we would bring in a mutually agreeable person to run TSN. Sierra, jointly with AT&T, would fund and operate the new company. I forget the contract details, but somehow we were able to

take most of TSN's losses off of Sierra's financial statements while receiving funding and future royalties for games Sierra would be putting on the Sierra Network.

Philip Monego

Brought in to run TSN, but seemed to favor AT&T over Sierra

After a search, we brought in Philip Monego to run TSN. Philip had been an engineering manager and seemed to have the right technical and marketing skills to run TSN.

Perhaps things would have been different if Philip had not been hired, or if we had not partnered with AT&T. I will always wonder, and I'll never know.

Things went south quickly.

I am a different person now than I was then, and I don't want to point fingers at anyone. Whether it was Philip's fault or my fault I cannot say, but the two of us did not get along.

We respected each other, but we had different goals and different ways of doing things. I'd add to it that I wasn't accustomed to working with someone who I couldn't manage. By this point in time, 1992, Sierra had several subsidiaries, each with their own President and I

had a fantastic relationship with the heads of each of the subsidiaries. Some of this was because I gave them space to run their businesses, but also because they knew, and I knew, that ultimately Sierra was in charge and they had to conform to our way of doing things. We had a way of doing business and each subsidiary had to follow the corporate guidelines and fit into Sierra's culture.

Philip had two masters: AT&T and Sierra. His style was more consistent with AT&T's style than Sierra's, or, he liked them better, or disliked us more. My goal had been to avoid selling TSN, but suddenly it felt like I had lost control.

TSN was quickly renamed to "The ImagiNation Network," or INN, taking the word Sierra out of the name.

That really didn't bother me, although it just felt like a waste of money. Sierra had a strong following and we had spent millions promoting the name "The Sierra Network." But, I also understood that we were now partnered with AT&T and TSN had become its own company.

What bothered me most was that the pace of evolution at TSN, now INN, had slowed to a crawl. Instead of adding a new game or feature every week, big company bureaucracy was choking the company. AT&T was an enormous company that moved at a snail's pace, whereas Sierra was a scrappy young entrepreneurial company that sometimes lacked polish but knew how to move quickly. We were an extremely well-oiled machine that valued getting products out the door and into customer's hands above all else.

All that said, Philip was doing what he was brought in to do. I didn't like the pace, but I did like that my time had been freed up to focus on Sierra's core business and that TSN's losses were no longer dragging down Sierra's stock price.

I talk about it in another chapter, but our core business's rapid growth was starting to cause growth pains. The company was doing business worldwide, and I was spending most of my life riding on airplanes, as I visited our various operations. I did appreciate that Philip was running INN and keeping it growing.

From my side, I started forcing all of our groups to deal with the INN teams, to discuss how network game play could be a part of every game we produced. Some of the teams, such as the adventure game groups, had no idea what to do with a multi-player adventure or how

that could work. Other groups, such as the racing simulators and flight simulators knew exactly what to do.

I started hearing that the INN team was being difficult to deal with. I also started getting push back from my own team that they weren't clear how they were going to get paid back for the effort flowing into INN game development. Developing games for INN was adding to project costs, but no money was flowing back to Sierra from INN.

The bottom line was that what had been a rapid-fire release of games slowed to "AT&T speed."

And, then the internet came onto the scene.

The internet was a game changer. With the internet, there was no need for INN to operate its own network. In the early days of the internet, most people connected to the network via a dial-up modem, and the speeds were slow, but at least INN wouldn't need to build out our own network.

Unfortunately, Philip Monego and the team at INN, as well as the team at AT&T, wanted to find ways to move away from Sierra.

Having our own programming language was Sierra's not-so-secret strategy for being able to move quickly and maintain a level of platform independence. It wasn't like I didn't foresee something like the internet emerging, but I thought of it the same way I thought of building games that ran under DOS, Windows, Macintosh etc. From our Sierra-centric way of thinking, the internet was just another platform. It wouldn't be easy to update Sierra's technology for the internet, but neither would it be particularly hard. It would just be a typical Sierra project.

INN and AT&T did not see it that way. An "us versus them" attitude had developed between INN and Sierra. INN felt Sierra's proprietary programing language (SCI), and dependence on Sierra for games, was holding them back. A decision was made to abandon the existing code base and create a new set of code, and rewrite/redesign the core set of games in a standard programming language (called C++).

In prior chapters of this book I talked about my feelings on software development projects. Big projects never finish. INN stopped pushing the current version of INN in order to focus on starting over with a completely new code base.

I tried to encourage Philip and AT&T to think in terms of incremental changes with small and regular releases, and not try to “change the world” overnight, but my feedback fell on deaf ears.

I was not happy but was out gunned. My choices were limited to getting rid of Philip Monego, or hoping he knew what he was doing and supporting him. Getting rid of Philip wasn’t going to happen. His team liked him, and AT&T liked him. I could see they were headed into a dark tunnel they’d never emerge from, but I also had no time or ability to solve the problem. I started mentally preparing myself for the end to the greatest, and most pioneering, project Sierra had ever done.

We invented the internet before the “other internet” became popular. And yet, it was a failure. We were too far ahead of our time.

I was sad, and will always be sad when remembering TSN, but it was what it was.

- INTERLUDE -

(A brief pause in the story, so I can wedge something in)

Chapter 25: Managing Growth

> ***"Most of what we call management consists of making it difficult for people to get their work done."***
>
> **Peter Drucker, Management Consultant**

The first few years of Sierra could be described as total anarchy. It is easy to survive (and, thrive!) when you have no competition and your customer base is experiencing explosive growth. And, to be fair, at the very beginning, most of Sierra's employees were barely out of high school. The party atmosphere was probably appropriate to the time.

By 1982, it was obvious that the "free for all" craziness of Sierra was not going to work. We needed discipline. I was still in contact with my former boss, Dick Sunderland, at Informatics and had been impressed by him. Dick was a Triple-A engineering manager and had put together an amazing team. I asked Dick to join Sierra as our Chief Operating Officer reporting to me as CEO.

It did not work out with Dick. The relationship ended quickly and poorly. He lasted less than a year and I take full responsibility for the failure. Dick was trying to bring adult leadership to the company, and it was like standing in front of a train moving at full speed. It might stop but it isn't going to stop immediately. Once something has enough momentum, the brakes need to be applied gently. I was a big part of the problem. I was accustomed to treating the employees like friends. Dick felt caught in the middle and when he would try to bring discipline, instead of supporting him, I would side with the employees.

L to R: Steve Wozniak, Dick Sunderland, Ken Williams

I didn't know it when this picture was taken,

but our home in Oakhurst, 200 miles away, was on fire

The Wall Street Journal happened to interview me about this time, and I was quoted as saying, “When I worked for Dick Sunderland he used to tell me I lacked management skills, and now he works for me and I tell him he lacks management skills.” I’m embarrassed when I think about that now. Dick’s feelings were quite appropriately hurt. It resulted in litigation and we settled the suit.

I may not always get things right, but I am a fast learner. I knew that Sierra needed discipline and started reading every book I could find on management. It was time for our little band of renegades to grow up.

An unsung hero of Sierra is a gentleman named Rick Cavin. I forget what job Rick was originally hired for, but for the last half of the ‘80s Rick was Sierra’s General Manager. His résumé at the time might not have led you to believe he’d become a senior manager at Sierra, but such was the local hiring pool. He was a local Oakhurst resident, who came from a rural background, and would talk about castrating sheep with his teeth. He also had a nasty habit of wearing ripped shorts and

not wearing underwear.

Rick Cavin, General Manager

Tough, but lovable

Rick was exactly the right person for Sierra. He had two critical attributes to succeed at Sierra: 1) He was absolutely loyal, and 2) He had no trouble being “the bad guy.”

Rick was very good at getting people to work. There is a scene in one of the *Space Quest* games where a cartooned version of Rick can be seem wandering the halls with a whip. It was put there in jest, but like most good jokes was rooted in truth. Rick was a tough taskmaster.

Having Rick to manage the troops freed me to focus on product and marketing strategy.

Rick was a unique person, in that he could be fierce as a manager and fire someone, or force them to work through a holiday weekend, without showing a moment of hesitation. Rick did what needed to be done. At various times every department in the company reported to Rick, including Product Development and Sales. I would sometimes describe Rick as my hatchet man. Rick would do as I asked, whatever it was, no questions asked.

Despite Rick’s reputation as a tough taskmaster, he also had a soft side. He cared about his people and was loved by them. He inspired tremendous loyalty. Everyone understood that, if Rick wanted something, there was a reason why it was important. He was like a general whose troops trusted him and would follow him into any battle. I trusted and respected Rick, and occasionally Rick would

argue I was wrong about something, and when he did I would listen hard. Like Roberta, Rick had the gift of extreme common sense. He wasn't technical. He wasn't fancy. No one would confuse him with a Stanford MBA. Despite all of that, Rick was solid in every way that counted and was exactly what Sierra needed.

As Sierra grew, additional senior managers were added, but Rick's early role will never be forgotten.

Christmas

Life at Sierra revolved around Christmas. If a product didn't "make Christmas" the sales projection could easily be cut in half.

And, that's only half the story.

Sierra's retailers would carefully plan what would be on their shelves at Christmas months in advance. The major retailers (eg. Walmart) would attempt to fund their Christmas advertising budget by asking companies like Sierra for money in return for granting us shelf space. It was a complex and risky negotiation. Sierra's sales force was tasked with obtaining for Sierra the maximum shelf space possible. We knew that special positioning for our products at retail would make a big difference in sales of a product. We would ask retailers to place entire wooden pallets stacked high with product, or to have our products on special end-of-aisle displays. In return, the retailers would ask for extra discounts or what we called "co-op advertising funds." The retailers would showcase our products in their ads, and give us the preferred locations on their shelves, in return for us giving away millions of dollars in discounts and co-op advertising dollars.

If a product was late being delivered to stores the shelf space, which was acquired at great expense, would be lost, perhaps even going to a competitor. All of our advertising dollars would be wasted. Slipping a product from December to January was certain death. After Christmas, retailers want to empty their stores of any left over inventory. Sierra's sales force would employ discounts and other strategies to keep inventory on shelves so that it had a chance to sell. Retailers had little interest in bringing in new inventory, and even our customers would be reluctant to buy new products. Most were busily playing all the new Sierra products that had been sitting under their Christmas trees.

FREE Educational Game See Page 60-
HOLIDAY ISSUE 1993 $2.95 U.S.
InterAction
Don't Buy an Obsolete CD-ROM!
Read All About Today's Technology on Page 4
Hot Hints & Strategies
Betrayal at Krondor, Football Pro, Aces Over Europe, Shadow of Yserbius
America's Most Experienced Cop
Creates an All-New Police Quest
CD-ROM Price Breakthrough!
See Back Cover
Huge Savings on Sierra Games
See pages 40 and 41
Getting the Most From Multimedia:
What's Hot for MPC, 3DO and Sega CD
VINTAGE SIERRA

Christmas was always a big deal for Sierra

In addition to special editions of InterAction magazine, we would often send out free CDs to customers with animated Christmas carols, just to say "Thank you"

I mention this in a discussion on management because, inevitably, from August to November, Sierra would find itself in a position of finding ourselves behind on products we had promised for Christmas. In order to deliver on time we would shut down other projects and double-team the higher revenue products that were delayed. Typically, adding bodies to the projects didn't solve the problem. Nine women can not make a baby in a month. In order to make deadlines we would force the developers to work extra hours and weekends.

Under labor law at the time, salaried employees did not receive overtime pay. There were long stretches where developers were forced to work twelve-hour days and through weekends with no extra compensation. I can't defend what we did other than to say that we did what we had to do. I would also add that I would handle the situation differently today.

Union Organizing

We overworked our developers, and this resulted in union organizing. This was a low point for morale around the company. I was personally devastated. From my perspective, I was doing whatever it took to provide jobs and grow the company. However, the employees felt the company was abusing them.

In fact, both sides were correct.

As soon as I received formal notice of the union organizing, I contacted a law firm which specialized in dealing with unions. Once the lawyers and the union were involved, my ability to deal directly with the employees, or even change anything in how we dealt with employees, became limited. Any change could be considered management interfering with the employees' right to organize. I'm a person who believes that the best thing to do in any legal situation is to listen to your lawyers and do exactly what they say. In this case, the lawyers advised that the best thing we could do would be to let the employees vote on unionization and stay away from direct involvement. It was a frustrating time where I agreed Sierra had indeed been in the wrong, but I also felt like I was being sabotaged by my own employees. Further complicating the situation, some of the people who had led the organizing effort were employees who had not been carrying their weight and were already at risk of being terminated. Once the organizing started they became untouchable.

Bizarrely, the union that was trying to organize Sierra was the International Association of Machinists. It made no sense that they were trying to unionize Sierra's software developers. I suspect they became involved because Sierra had made ourselves an easy target. If they could crack Sierra, then there was an entire rapidly growing industry they could expand into.

Surprisingly, support came from a completely unexpected direction; Sierra's production group, the group charged with duplicating and packaging our products. Several members of the group had worked in

union shops previously and were not impressed by the unions. Sierra management was barred from attending the union organizing meetings, but at the meetings members of our production staff spoke passionately about their feelings that unionizing was a bad idea.

A vote was held, and the union lost. Had the union won, history may have been very different. It was a wake-up call for Sierra on employee relations and overall good for us.

> ***"I have been accused of being a micro-manager, and to that charge I will plead guilty."***

Ken Williams

My goal throughout my time at Sierra was to try to focus my time on things that customers would see and try to extricate myself from everything else. I decided from the beginning that I wanted Sierra's customers to always think of Sierra as a class act. I was positive that if we took care of customers, they would respond by taking care of us. To me this meant agonizing over far more than just the products. I cared about things like our customer return policies, the look of the instruction manuals, the package designs, the envelopes for the CDs, the pricing, the way we answered the phones, etc. If customers were going to have contact with Sierra, I wanted to control the experience. Departments like Accounting received little of my time. Manufacturing didn't get much attention. Even our sales team received little attention. But, groups like Customer Support, Marketing, and Product Development received more of my attention than they ever wanted.

One person could not do all that I was doing. The stress and the overload was becoming a problem. Something needed to change.

> ***I always get a laugh when I describe Sierra's early years' Org Chart: Ken in a box on top and 100 lines coming down out of his box!***

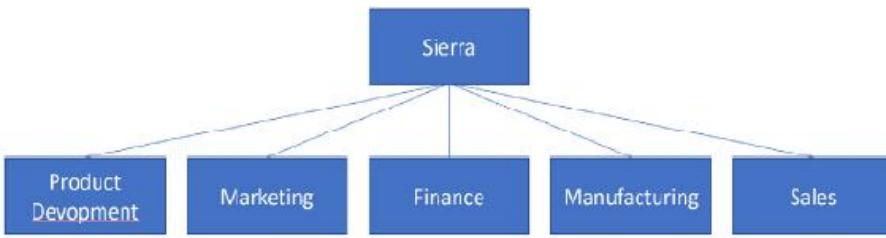
Al Lowe, Game Designer

I was torn, in that on one hand I didn't want to constrain Sierra's growth, but I also didn't want to give up control over what I saw as the soul of Sierra. I was constantly trying to find ways to squeeze more hours out of each day. I needed to be everywhere at the same time and yet, as the company grew, I couldn't be.

Ultimately, a system evolved that would allow me to keep control, even with Sierra scattered to multiple locations around the world.

Sierra was split at the highest level into different groups:

- Finance (accounting).
- Manufacturing / Operations (duplicating product, packaging, shipping, accepting returns).
- Sales (Convincing retailers and distributors to stock Sierra's products).
- Marketing (Advertising, demand creation, product packaging and materials).
- Product Development (Designers, Artists, Engineers).



Sierra Organization Chart
It worked fine when we were all in Oakhurst, but needed a rethinking when we started acquiring companies

Mentally, I thought of the first three of these (Finance, Manufacturing, Sales), as "behind the scenes" activities. They needed to be run perfectly, but no one was going to buy Sierra's products because our books balanced, or our cost of duplication was the lowest in the industry, or because we had charming salespeople. The last two groups (Development and Marketing) were the keys to Sierra's success. I knew that we needed great products and that we needed to excite customers about buying them. Those were the groups that could make a difference.

OK. I realize this is incredibly boring stuff, but it is key to understanding how Sierra worked internally, and why Sierra worked so well.

In order to create a structure that we could use to grow, I modified this structure slightly:

Sierra's goal was to retain the entrepreneurial spirit of companies we acquired by giving them control of the creation and marketing of their products. We thought of each of them as independent companies who used Sierra to publish their products

First, I'll explain the chart above. You'll notice that on the right is all the "back office" stuff; those groups that I claim aren't what differentiated Sierra from its competitors. On the left side of the chart you see boxes labeled "Subsidiary President." These are the heads of the companies that Sierra acquired as well as Sierra's original development group in Oakhurst (Dynamix, Papyrus, Coktel Vision, etc). If you look closely on the chart, you'll see lots of marketing boxes, some of which report to the Subsidiary Presidents. And, one of which reports to Sierra's President/COO. Marketing was split into those things which spanned all of Sierra's subsidiaries (the corporate marketing group) and those functions which were product specific. For example, there were catalogs that spanned all of the subsidiaries. We also centralized all customer support and considered it as part of the corporate marketing group. Those things were best done at the corporate level, whereas writing copy for an individual product box, or developing advertising materials for a particular product were best done at the subsidiary level.

Probably the best hire I ever made was a gentleman named Mike Brochu. Very few customers ever heard Mike's name, but Mike was Sierra's secret weapon and brought much-needed skills to Sierra.

Mike Brochu

Sierra President and COO

Mike came into Sierra as our VP of Finance and CFO but was quickly promoted to President and Chief Operating Officer. Mike allowed me to focus on the areas of the company where I could do the most good, specifically product development and marketing. Mike complemented me well, in that whereas I can be a pessimist at times, Mike was always an optimist. If Mike and I were ever stuck on a desert island (like *Johnny Castaway*), I'd be the one pounding my fists in the sand and screaming for help, while Mike would be smiling, singing and explaining to me that help would be here any minute. Mike is a Texan, with a Texan's swagger and ability to sweettalk anyone. He inspired confidence in everyone around him. Mike would be tough when needed, but could usually motivate people just by the sheer force of his personality. Some people with Mike's style are more sizzle than steak, but Mike was the real thing, and Sierra wouldn't have grown the way we did without him.

It became a running joke, both inside the company, and in our magazine, that I wasn't often known to smile

With Mike's help, Sierra was able to successfully acquire and integrate over a dozen companies, all of which fit into the organizational structure just described.

Sierra Acquisitions

To understand why a successful software company would be willing to sell to Sierra, you need to see the benefits through their eyes. You also need to remember that this was the nineties, not the world as we know it today. The internet was in its infancy. Software distribution via the internet was not what it is today. Social Media was not what it is today.

Selling software in those days was what I'll call: "Messy."

Today, selling software has its own set of challenges, so I don't want to take anything away from the software merchants of today. But in Sierra's time, software was sold as physical objects with all of the surrounding headaches that someone selling toys, furniture or t-shirts might have to deal with. We had to make the software, duplicate the software, print and inventory the manuals and boxes, package the product, sell the product to distributors, ship them the product, provide customer support and then handle any unsold inventory returned from the field. And more.

Even the smallest of software companies had to have all of these functions. In a small software company, dealing with all of these things added tremendous cost, and could be a major headache.

My pitch to these companies was that they could continue doing the fun parts of the business while divesting themselves of all the crap that made publishing software miserable. My promise to them was that we would not destroy their culture. They could continue to build exciting products. They could produce the product packaging and instruction manuals. They could produce the marketing materials. Their products would be able to reach a much larger audience by leveraging Sierra's global distribution. We would manufacture the product, handle the returns and the customer support. And, it gets better. Very few software companies will ever reach the scale to "go public" (meaning have shares of stock publicly traded). Through acquisition by Sierra, a small software developer could suddenly have all the benefits of being a public company. The founders could swap their illiquid ownership for liquid stock that they could sell whenever they wanted. They could issue stock options to their employees.

The best ambassadors, when I wanted to acquire a new company, were the presidents and developers for the companies I had already acquired. They happily confirmed what I was saying.

It was an appealing pitch and one that resonated. I remember trying to explain our acquisition strategy to a Wall Street investment banker who just wasn't "getting it." He felt we were overpaying for a company. He had a fancy spreadsheet which took the potential acquisition's profits and computed the correct valuation. I used a different formula that looked at the products the company was producing and looked at what incremental revenues would be possible by utilizing Sierra's manufacturing, distribution and back office. I also took into account the possible upside by leveraging Sierra's existing technologies and the sharing of new technology I was bringing into the Sierra family. The Wall Street guy argued that I'd be purchasing based on value that Sierra was bringing to the table. I was fine with that. He was focused on computing the value of the company being acquired, whereas I was focused on computing the value of the acquisition to Sierra and Sierra's shareholders. The important thing was that the overall company would be stronger and more successful, not the price I was paying.

Examples from Sierra's subsidiaries (L to R: Papyrus, Dright Star, Dynamix, Coktel Vision, Sublogic, Impressions, Arion, Pixellite, Berkley Software)

Annual Strategy Meetings

Once a year we would have what I called "The Annual Strategy Meeting" at a resort somewhere in the world. There was usually some opportunity for fun and for bonding amongst the team, but generally they were dead serious meetings, held in a conference room, with intensive use of slides and chalk boards.

The meetings would be attended by approximately twenty people: Sierra's Vice Presidents, Subsidiary Presidents, and sometimes our Board members. The goal of these meetings was to talk about big picture issues for Sierra.

The meetings were tightly controlled and were broken into sessions like:

- What changes do we see in the industry over the next year?
  - » Hardware/Technology
  - » Competitors
- What businesses aren't we in that we should expand into?
  - » Films, music, comic books, hardware, business software?
  - » How can we leverage our brand recognition and intellectual properties into new revenue streams? (licensing? partnerships?)
- What distribution channels aren't we in that we should expand into?
  - » International expansion
  - » Retail channels
  - » Direct marketing

- What businesses and distribution channels should we consider pruning?
- A look at the products we see coming over the next year
  - » What do we think our hits will be?
  - » What products should we consider pulling the plug on?
- Divisional budgets (how much money does each of the divisions get, and what revenues do we want them to produce?)

All of this might sound good, and sometimes it was, but there were also serious problems that we had to work through every day.

Software development is tough to do on a budget. What percent of large software projects do you think come in on time and on budget? If you guessed any number larger than zero, you are probably wrong. Sierra was incredibly good at developing software, but if I told you we were perfect, or that projects didn't typically complete late and over-budget, I'd be fibbing.

At our annual strategy meeting we might decide a subsidiary, for example: Dynamix, would have a product development budget of $5 million. This development budget would also include a revenue forecast. As a general "rule of thumb" I liked to see four times the dollars of revenue than dollars spent on development. In this example, if Dynamix were to receive $5 million in development spending they would be expected to generate $20 million or more in revenue.

In addition to overall subsidiary budgets, we had individual product budgets. At a division like Dynamix there would probably be ten to twenty projects in various stages of completion at any given time. Some of the projects would be completely new games, some would be add-on packs to existing games, or minor modifications to an existing game in order to make it a new product, or even just a conversion of a game to a new platform (eg. from Windows to Mac). Each project would have an associated budget. The budgets might run from $25,000 to over $1,000,000 depending on the scale of the project. All development related costs were charged to the projects including art, programming, music, quality assurance, documentation writing, etc.

Sierra's divisional Presidents were tasked with keeping projects on time and on budget. Whereas cost overruns on projects were not good news, it was understood that they were unavoidable. And, ironically, cost overruns did not result in immediately higher expenses, they just meant delays in delivering the product, and a drop in the product's ultimate profitability.

Product Review Meetings

This is where I would get involved in the process. Once a quarter, I would fly to every subsidiary to look at the products in development. We called these visits the "Product Review Meetings" and they were an important part of my knowing what products were in the pipeline, how they were looking versus the budget, how they looked versus their market forecast, and when they might realistically ship to the public.

During a product review meeting, a succession of project managers would show their products one by one. Some products would have running code (a playable game) to see, whereas others might have nothing to see.

> ***"Do you draw Mickey Mouse?" I had to admit I do not draw anymore. "Then you think of all the jokes and ideas?" 'No,' I said, 'I don't do that.' Finally, he looked at me and said, "Mr. Disney, just what do you do?" 'Well,' I said, 'sometimes I think of myself as a little bee. I go from one area of the studio to another and gather pollen and sort of stimulate everybody. I guess that's the job I do.'***
>
> **Quote about Walt Disney, mounted on my wall, from which I took the inspiration for the Product Review Meetings**

My goal was to learn all I could about the projects. Were they on track to hit their ship date? Did they look like a bigger hit than projected, or a dog that should be put out of its misery? Was there cool technology that should be shared with some other development group? Was there some code in another subsidiary that could be leveraged to cut development cost?

There were times when games would be played that didn't involve a computer. For example, cost overruns would be swept under the carpet by billing time spent on one project to a different project. We had projects that hadn't been started that had massive billing against them. I tried to catch these kinds of shenanigans but, with only quarterly visits to the subsidiaries, it wasn't easy.

Jerry Bowerman

Hired to be my assistant and went on to manage all of Sierra's product development

The product review meetings were scattered across the world. I was endlessly on airplanes and needed help coordinating all of the various subsidiaries. To do this, I said I wanted "a smart MBA" who could help keep track of things. I found exactly that in Jerry Bowerman. He came into the company as my go-to guy, and wound up running one of the subsidiaries. Later, he was given responsibility for all of the subsidiaries as our VP of Product Development. Jerry was young, brash, and cocky. He wasn't technical, but he was brilliant and quickly captured the respect of everyone in the company.

Overall, Sierra's relationship with the subsidiary labels (Dynamix, Impressions, Papyrus, etc) were very good. But, there were occasional tensions. We had problems with finger-pointing between the subsidiaries and corporate. If a game bombed I would hear feedback that the corporate marketing group had not advertised the product, or the sales force hadn't pushed the product.

Weekly Meetings

The monthly product review meetings were supplemented with regular Monday meetings. I held these early in the morning so that everyone would be fresh, and before most other people had arrived, so that there would be no distractions. At these meetings it would just be the VPs and not the heads of the various subsidiaries. I would share my feelings about the products and the proposed release dates.

Lastly…

I was friendly but firm in the various meetings, and I was not shy about saying what I thought. If I thought a product needed work, I

would say so, and I wouldn't mince words. I've never been one to take an hour to accomplish what could be done in minutes. It was more efficient to see a product that should be shut down and say, "Let's kill this project" than to spend time agonizing over it in meetings.

I developed a reputation as a micro manager and was more popular outside the company than inside the company. All I can say in my own defense is, "Management isn't a popularity contest."

There's another expression that some would claim applied, but that I'll disagree with: "It's my way or the highway." I was very good about listening before making a decision. In general, my favorite decisions are unanimous group decisions. I would keep people debating a topic for hours until we had group consensus. If a meeting ended and one person was unhappy, it would bother me and I'd meet with them to make sure I understood their issue. On those rare occasions where unanimity just wasn't happening, I'd make the decision and that was it. The person with the dissenting view would need to jump on the train and support the decision. The train is only going one direction and everyone needs on board. There is a time for debate and a time for action. Once the action begins, anything that detracts from the goal is not permitted.

Virtually everyone I interacted with thought they could run Sierra much better than I. When Sierra would later be acquired, I have zero doubt that many people around the company were delighted to see me gone. This is the downside of hiring A and Triple-A players. Roberta and I would talk and she would say that she was amazed that it didn't bother me. It didn't, not for one second. Sierra had some very smart people and I've never argued there is only one way to skin a cat.

As disappointed as I am that Sierra fell apart after I left, and as bad as I feel about all the people who lost their jobs, there is a side of me that can't resist thinking, "I may have been unpopular with some employees, but maybe there were some things that I got right."

- INTERLUDE -

(A brief pause in the story, so I can wedge something in)

(1991) Merging with Broderbund?

Chapter 26:

> ***"The Chinese use two brush strokes to write the word 'crisis.' One brush stroke stands for danger; the other for opportunity. In a crisis, be aware of the danger--but recognize the opportunity."***
>
> **John F. Kennedy**

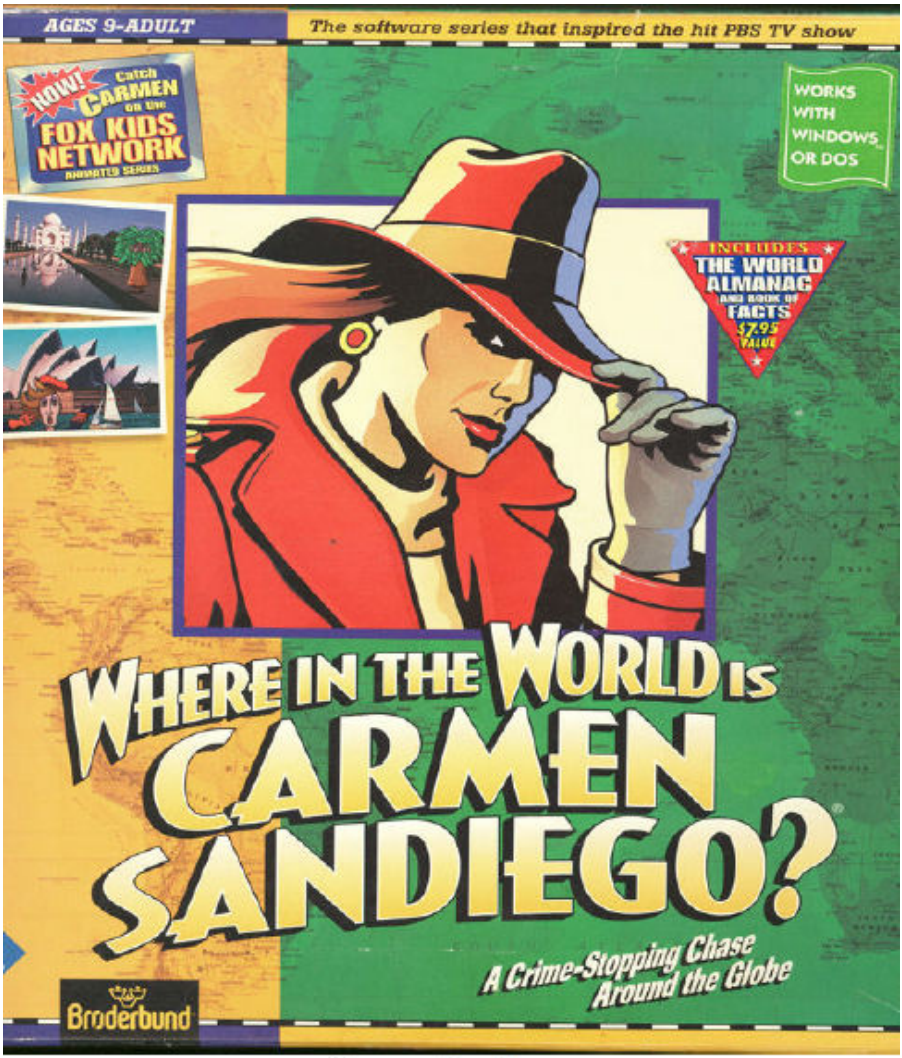
At the very beginning of the computer industry, the competitive environment was very different than it is today. Arguably there wasn't a competitive environment at all. The industry was expanding so fast, and was so hungry for product, that cooperation and teamwork felt more appropriate than competition. We were living the ultimate adventure!

Front row L to R: Ken Williams, Gary Koffler (Datamost), Doug Carlston, Broderbund

Next row: Roberta Williams, a friend of Doug's

Next Row: DJ Williams, Our raft guide, John Heuer (Roberta's father)

Broderbund and Sierra were the two largest consumer software companies as the '80s were drawing to a close. Broderbund dominated the education and productivity categories with products like *Print Shop* and *Where in the World is Carmen San Diego*. Sierra was dominant in entertainment.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A Crime-Stopping Chase Around the Globe
Broderbund

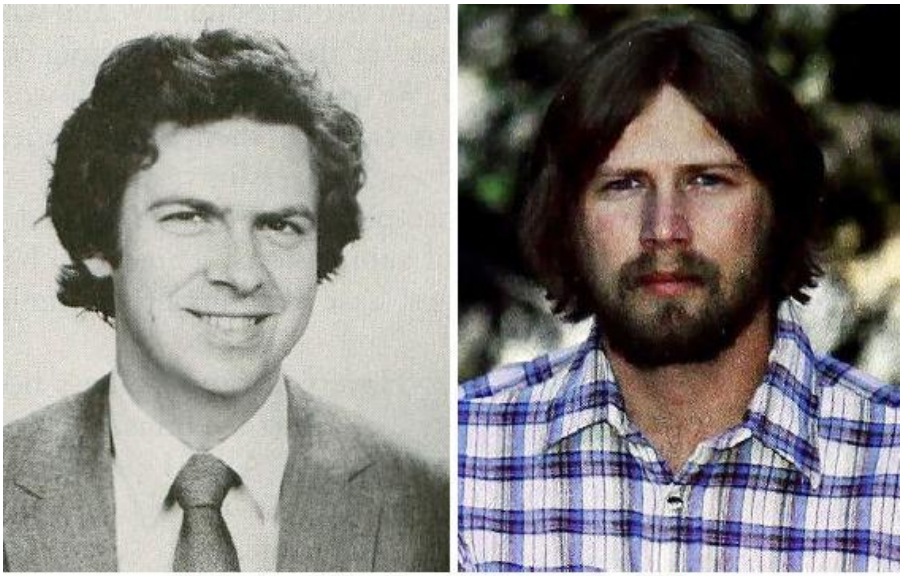
Carmen San Diego

A series of educational mystery videogames

Doug Carlston, Broderbund's CEO, and I may have been in the same industry, but anyone meeting us would have trouble believing that we were specimens of the same species. Doug's background prior to starting Broderbund, on Wikipedia, reads as follows: "*Doug Carlston received his bachelor's degree from Harvard University in 1970 and also studied economics at the Johns Hopkins School of Advanced International Studies. He earned a J.D. from Harvard Law School in 1975. Prior to founding Broderbund in 1980, he was an attorney.*"

Whereas, I was a college dropout who was running my company from the hills of California. Doug's a polished, refined, east-coast,

multilingual, smart, Harvard educated kind of guy. I come from the side of town that has always assumed the initials M.B.A. stood for "Must Be an Asshole."



A tale of two CEOs: Doug Carlston and Ken Williams

A common interest in computers, but otherwise very different people

What made us friends, and kept us friends, was a shared enthusiasm for computers and changing the world through technology. We spoke often and always thought it possible that our companies could be joined together someday. We were chasing different corners of the market with very different business strategies.

We knew that if the two companies were together, we would own the consumer software market. We would form a company as dominant in the consumer market as Microsoft was in the business world.

Laine Nooney, a researcher who visited the Strong Museum, where Sierra's old documents are archived as well as Broderbund's, had this to say, "… *I found more internal documentation about Sierra On-Line in the Brøderbund Collection than I did in the Ken and Roberta Williams'! Case in point, a most magnificent find: Sierra On-Line's October 1986 Company Profile and Business Plan, as well as a 1987 Company Profile related to their proposed IPO*…"

Sierra and Broderbund were so tight in the early days that I would invite Doug Carlston to our annual product strategy meetings and we would share ideas on company strategy. It could be said that we served as phantom board members on each other's companies.

The problem was that neither of us wanted to retire, and we were smart enough to know that we'd have trouble co-existing within the same company.

Finally, in 1991, we worked out a deal to bring the two companies together. At the time, Sierra had gone public but Broderbund was still a private company. Our companies were comparable in size, but the fact that Sierra had liquidly tradeable stock gave Sierra an edge in the negotiations. Through acquisition by Sierra, Broderbund's shareholders and stock option holders would have a clear path to liquidity for their stock (they could convert their paper ownership to hard cash they could put in their pockets).

We agreed that post-merger Doug would become the consolidated company's chairman and I would become the CEO. As part of the deal I would move to San Rafael (north of San Francisco) and run the day to day operations as the President/CEO.

As a public company, Sierra needed to announce the deal as soon as the terms had been agreed upon. It was a very popular deal with Sierra's and Broderbund's shareholders, but much less so inside the two companies.

Storm clouds were brewing behind the scenes. I had no premonition at the time, but the forces that came to play would play a very significant role when Sierra itself would be acquired years later.

In any merger of relative equals, the management teams at both companies sweat their jobs. That is to be expected. Even when their jobs are assured, they sweat how their jobs might change. It's a fear of the unknown, and whereas most kids who fear the boogey man wake up safely the next morning, the same is not true for employees after a merger. Their worst fears sometimes turn out to have been overly optimistic.

Mergers usually come with consolidations. Do we need two HR departments? Two legal departments? Two VPs of engineerings? Two creative directors? Two manufacturing groups? Two accounting departments? If we consolidate to one, where will it be based? Who will stay and who will go?

Whereas Doug and I were excited about the potential for a combined company, our teams were stressing out. His team was worried about whether or not I'd be easy to work with. Would I be biased towards Sierra? Would I change Broderbund's product strategy? Broderbund

was a leader in education. Sierra had a “reputation,” fueled by the book Hackers, which trumpeted Sierra’s wild and crazy early years. Did Broderbund’s team want associated with the riffraff at Sierra? Meanwhile, from Sierra’s side there were two primary concerns. 1) If Ken moved to San Rafael, did that mean corporate was moving to San Rafael? Would Sierra employees become second class citizens? And, 2) Doug was a serious force of nature and would be going on the board. Could the tables get turned post deal? Would Ken have a bad quarter at some point and Doug step back in to run the consolidated company? Was this just a sneaky attempt by Broderbund to acquire Sierra?

Doug and I were comfortable that this was all going to be fine. Our plan was to do the merger and then once the two companies were together start building a plan to go forward. We needed more good people, not fewer. 99% of the teams would be retained after the merger and both company’s employees would find themselves part of a company that was growing faster than either of us could have done alone. True job security comes from winning, and together we would be unbeatable.

Ultimately, I believe I am the one who screwed up the deal, but it wasn’t intentional. While waiting for the deal to be approved by Sierra’s shareholders, I started talking to the senior people at Broderbund and said the wrong things. With 20/20 hindsight I should have been reassuring them that their lives, and jobs, wouldn’t be changing. I needed to convince them that I’d be easy to work with and would listen to them. I’m better at having political skills now than I was then, although I’m still a long way from perfect. Instead, I spoke about things like my compulsion for wanting to review everything before the public would see it, and my wanting to be involved in every product decision.

Later, when Sierra was being acquired, I learned the hard way that acquiring companies need to say whatever it takes to get the deal done. All I can say is that: If those are the rules of the game, I don’t want to play. My credibility is everything and I’m going to say the truth even when it hurts a deal.

Which it did … Doug Carlston called one day to say, “The deal is over.” It was a public embarrassment for both companies. But, was what it was, and was probably for the better.

Both of our teams were happy to see the deal die.

- INTERLUDE -

(A brief pause in the story, so I can wedge something in)

So, You Want to Be a Game Developer?

Chapter 27:

> ***"Video games are bad for you? That's what they said about rock n' roll."***
>
> **Shigeru Miyamoto, Designer of Mario Bros**

I am constantly asked, "How do I get into the game industry?" The question comes from aspiring artists, musicians, writers, software developers and others.

The quick and probably most accurate answer is: "I don't know. I've been retired for over 25 years. I have no contacts in the game industry and other than perhaps for selling books, my name doesn't mean much anymore."

That said, I do have opinions, and am happy to share them.

First off: Don't expect it to be easy. Getting started in the game business, with zero experience, isn't impossible, but unless you are very lucky, you are going to need to make a serious effort.

You need two things: Talent, and to have your talent recognized.

One of our sons grew up saying he wanted to be a writer. My advice to him was:

Step 1 to becoming a writer is to "write." It sounds simple, but a lot of people don't figure it out. If you want to become a writer, then start writing and somehow get what you write out into the world. Start a blog. Write articles for newspapers. Write articles for magazines. Write short stories. Write scripts. Be prolific and get your name out there. Attract an audience. Start early and don't expect overnight success. Climb the ladder rung by rung.

Similarly, if you want to prove you can create games, start by

practicing your craft, whether it is writing code, doing animation, or making music. Practice every time you can, and get the fruits of your efforts in front of others.

If you want to develop games professionally, then you need to somehow get inside a company that produces games. Look for jobs writing manuals, game testing, anything that gets you through the front door.

As to education…

Redmond WA based Digipen offers Bachelor's degrees in game development

There are trade schools which specialize in game development. Some are horrible and some are exceptional. I'm not a believer in colleges, although there are some of the larger tech companies that only want to interview people with college degrees. Thus, I can't argue with college degrees but neither do I personally consider them anywhere near as good as solid technical training.

My recommendation if you want to be a game developer and are considering college: Search on the internet for schools that offer training specifically in game development. Speak with their recruiting department and find what percentage of graduates were actually hired by a game company. If you can become a "top 5% graduate" of a school that is focused on games, and if the school has a good track record of placing graduates at game companies, you'll have done it.

The other option, and the one I'd be most likely to pursue, is to "build a game." Let's imagine that you are an artist. Games require more than just art. Most games require: a producer, writer, software engineers, music, sound effects, etc. Assemble a team. If you search around the internet, you will find that you are not alone. There are others who are working day jobs as accountants, teachers, janitors, or are sitting home waiting for their career to begin, who by night dream

of building games. Assemble a group and start building a game.

With a small team, it is difficult to build a game that is worth playing. It is also hard to work with a team of unpaid talent. In assembling a team to build a game, you need to pick people who are serious about game development, and who are willing to stick with the game until the end. You need to develop something which has a reasonable shot at completion and success. A game that does not complete is not going to get you into the industry, and neither is a game that looks like crap.

Choosing your first project is the most important thing you'll do. I always believe in a crawl, walk, run strategy. Pick something simple and complete it, then complete something bigger, preferably that leverages your first project. Perhaps this means that the first product is a simple card game, and that the sequel becomes multiplayer. Consider a niche with few products where a low-budget product might have a chance of being found. This could mean games for pre-schoolers, mobile devices, emerging platforms, watches, etc. Maybe even games for cats or dogs. I'm not sure where the holes in the market are in today's world, but I'm sure they exist. Large companies avoid niches which are small, but that just opens the door for you to perhaps sneak into the market.

Do not bite off more than you can chew! If you have a team of five people, and want to build a competitor to Warcraft or Half-Life, the project will not finish and you will have wasted your time.

I'd also encourage you to be very careful about how you form your team. If you have five people on your project you should expect that one or two will not deliver. They may mean well, but something will happen and they will "flake out." Negotiate the divorce before you get married. By this, I mean you should write an agreement. It doesn't need to be lawyer drafted, but it needs to say how the money and ownership is split if things go according to plan, and what happens when they don't. I've seen a lot of perfectly good projects die when one or more team members drop off a project and the ownership of the product becomes unclear.

One thing you could look at is to create an add-on pack for some existing hit game. Look to see if there is a game that offers add-on levels. I'm sure they exist. Some games are open-ended and allow you to design your own levels or characters. If you are an artist, design some amazing characters.

At the beginning, do not worry about money. If you can do something

cool, beautiful and fun, AND make money, yay! But, if you have no experience and are looking to crack into the industry, then take what you can get. Just focus on proving yourself, building your résumé while your parents support you and your fan base develops, and experience on your résumé builds.

The bottom line: If you want into the games business, the good news is that it is possible. And, unlike other professions, you have an easy way to showcase your efforts. There are no barriers to entry. Free labor to assist you in building your game is plentiful, if you do some googling and push hard. Distribution of your game via the internet is easy. There are no barriers to entry, and if you produce something addictive all you need to do is get it to a few people and it will proliferate virally. In the worst case it will help get you a job, or prove your worth to a top game development school.

Nike says it best, “Just do it.” If you have the talent, and are willing to put in the time, you will make it.

Chapter 28: (1992) Chief Daryl F. Gates and SWAT

> ***"People say graffiti is ugly, irresponsible and childish… but that's only if it's done properly."***
>
> **Banksy, Street Artist**

As I'm sitting here typing this, in July of 2020, I am watching videos of Seattle protesters, only a few blocks away, who have taken over a part of the city including "capturing" a police station.

Because of the protests and riots, our old games, the *Police Quest* and *SWAT* series, originally by retired police officer Jim Walls and later by Daryl F. Gates, the former Chief of Police of Los Angeles, are suddenly getting a lot of attention. I was just looking at a series of one hundred thirteen messages on Facebook, many of which vilify me for having worked with Chief Gates.

Some of the messages accuse me of having exploited Gates' name recognition to help sell the product. There probably is some grain of truth to that, but it wasn't the reason I used Chief Gates.

I wanted our police games to transition into tactical simulations more than just being interactive stories. Chief Gates had knowledge of police procedures and tactics that were well beyond what any one field officer could bring to the table.

Were I making the decision today, I would not use Chief Gates. All of the reasons I did work with the Chief would still be valid, but the risk of a backlash by our customers and retailers would be too excessive. I will take free publicity when I can get it, but I'm not crazy.

For those who may not recall, Daryl Gates was a 42 year police officer who was Chief of Police to the over 8,000 officer Los Angeles police force for 14 years. He is credited as being the father of SWAT, a specialized unit and series of tactics, created to deal with hostage rescue and extreme situations involving armed and dangerous suspects. He is also credited with creating DARE (Drug Abuse Resistance Education) which was designed to educate students and children about the dangers of drug abuse. DARE has become a

worldwide organization, with programs in schools across the globe.

Chief Daryl F. Gates

> ***In the United States as of 2005, SWAT teams were deployed 50,000 times every year, almost 80% of the time to serve search warrants, most often for narcotics. SWAT teams are increasingly equipped with military-type hardware and trained to deploy against threats of terrorism, for crowd control, hostage taking, and in situations beyond the capabilities of ordinary law enforcement, sometimes deemed "high-risk."***

Wikipedia
https://en.wikipedia.org/wiki/SWAT

Daryl Gates was forced out of office after the Los Angeles police were accused of excessive force after a videotaped arrest of Rodney King, triggering massive riots and destruction in Los Angeles.

> ***"By the time the riots ended, 63 people had been killed, 2,383 people had been injured, more than 12,000 had been arrested, and estimates of property damage were over $1 billion, much of which disproportionately affected Koreatown, Los Angeles in which the bulk of the unrest occurred. LAPD Chief of Police Daryl Gates, who had already announced his resignation by the time of the riots, was attributed with much of the blame for a lack of control, mismanagement of the situation, and failure of de-escalation and prevention."***

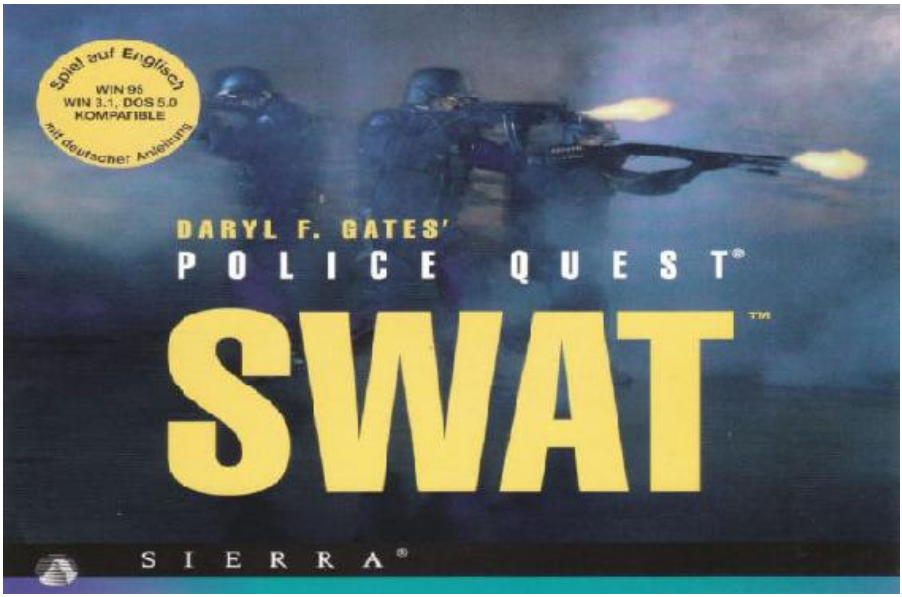
Wikipedia
https://en.wikipedia.org/wiki/1992_Los_Angeles_riots

One more quote about Daryl Gates:

> ***"Mr. Gates began his police career in 1949 as a Los Angeles patrolman. It ended when he was forced to resign in June 1992, after 14 years as chief, in the wake of riots that followed the acquittal of four police officers in the highly publicized beating of Rodney King.***
>
> ***The years in between were a raucous era in which Los Angeles almost doubled its population while becoming overwhelmed by drugs, gangs, guns and a tide of violent crime.***
>
> ***Mr. Gates, who embraced the tough, principled and inflexible strategy of his mentor, William H. Parker, the former Los Angeles police chief, responded to that climate by stressing discipline in the ranks of his 8,000-strong department, enlarging the police presence in the streets and developing new policing tools.***
>
> ***Mr. Gates pioneered the use of police helicopters to fight crime across the nearly 470 square miles of his city, and he helped develop the Special Weapons and Tactics, or SWAT, unit, made up of elite mobile teams of highly trained officers.***
>
> ***SWAT teams deployed sophisticated surveillance equipment, assault weapons and paramilitary skills to neutralize threats. Hundreds of police departments in the United States and around the world have since developed SWAT units. In Los Angeles, they had a prominent role in maintaining order during the 1984 Summer Olympic Games, a period widely regarded as the high point of Mr. Gates's career."***

New York Times, April 16, 2010

Since that time quotes have come out, by Chief Gates, that I was unaware of at the time, some of which would have impacted my decision to work with him. I have zero tolerance for anything that smacks of racism. Chief Gates convinced me he had the same intolerance. At the time, I believed he was being used as a scapegoat for the excessive force of a handful of his officers.



We had long talks about how he was perceived. He always argued that he was loved in the minority communities and that all communities want to feel safe sleeping at night. I remember walking through an airport with him in Los Angeles, afraid that we would be attacked. But everyone we passed, regardless of their skin color, wanted to high-five him or get their picture taken with him. I never tested him on this, but he insisted that we could drive into any neighborhood in Los Angeles and we'd find he had overwhelming support.

Overall, Chief Gates had a long and amazing career in law enforcement that went wrong at the end and forced his resignation. In today's world we tend to be judged on our most recent actions or words, and an entire career can be forgotten in minutes.

Anyway … My goal is not to defend Daryl Gates, or myself. I'm simply explaining what was in my mind at the time. As you read this, I would ask that you remember that 1992 was nearly thirty years ago, and I was nearly thirty years younger. Decisions then may not be the ones I'd make today.

The bottom line: Chief Gates brought a level of detail and realism to Sierra's games that was incredible. Whether you believe he was a good guy or a bad guy there are a few things which cannot be doubted:

1) Few people alive have ever run a larger police force, or can compare with his 42 years of experience as an officer

2) His SWAT and DARE programs were major innovations and are still in use today

3) His games were a hit with the people that purchased them, and for Sierra.

From an article on Dailynews.com, "In the weeks before he died, bedridden from fighting a losing battle with cancer, former LAPD Chief Daryl F. Gates was visited by an LAPD helicop ter hovering outside his hospital window. Even though Gates was weak, he got up, put on his SWAT hat and stood at attention. He continued to salute the crew even as the chopper flew away, tears streaming down his cheeks"

Chief Daryl F. Gates passed away in 2010 at the age of 83.

Chapter 29: How I Picked Sierra's Designers

> ***"I built my talents on the shoulders of someone else's talent."***
>
> **Michael Jordan**

I was designer-centric at Sierra and had a unique perspective on designers:

The person using the product must feel a 1 to 1 connection with the person who created the product. Great products are not created by committees. Perhaps it is different if you are Microsoft and building an operating system. In general one person should "own" a product and every feature in it. This belief would often put me at odds with my own engineering, art and music departments. If an artist on the project developed the world's coolest animation and the designer felt it didn't fit the product, I had to support the designer, and toss the animation, even if it killed me.

How I chose designers…

I wanted designers on products who were themselves the target audience. If someone wanted to design a computer simulation of the civil war, I would look to see if they were a natural historian and could talk for hours about various civil war battles. Did they play civil war board games? Did they have uniforms at home in their closets? In today's world, I would be checking their social media and forum postings to see if they were plugged into the civil war community. This seems obvious, although there are plenty of indications that it is not understood. Consumers are not dumb. They know when you are "just" putting out a product, as compared to bringing a dream to life.

I always came back to a bookstore or movie analogy when defining Sierra's product strategy. I would constantly argue that Sierra's product strategy should mirror the shelves in a bookstore. If bookstores have entire rows of science fiction books, and a significant piece of bookstore revenues are science fiction, then I needed into the science fiction space, and needed to start watching for a designer who could get me there (Note: This led ultimately to our working with Arthur C. Clarke, author of *2001: A Space Odyssey*)

To be clear: I had a vision from the beginning that the consumer marketplace for consumer software would ultimately mirror the book, film and music industries. Consumers are the same regardless of the media, and what they want in entertainment, education, music and productivity is well established. The computer industry, in the beginning, seemed to believe that software divided into games or productivity, whereas I thought from the beginning that computers would ultimately rule the world and that these other media were just dumbed down versions (no interactivity or ability to mold themselves to your wishes) of computer products. I simply had to identify the large content categories that weren't being filled, find a designer who was passionate about the subject, and then give them the resources they needed to make it happen.

(1992) Doomed

Chapter 30:

At the end of 1991 John Romero, of Id Software, sent Roberta a copy of their game Command Keen, episodes 4 and 5. She really loved it and wrote back inviting the guys at Id to come visit Sierra.

Commander Keen, from Id Software

Released in 1990, it was a massive innovation for PC games, and a huge success for Id. Smooth side-scrolling, exactly like a Nintendo console but thru PC hardware, was finally achievable on a PC

Three guys from Id, John Romero, John Carmack, and Tom Hall, visited Sierra in February 1992. John demonstrated their game Wolfenstein 3D and then I demonstrated for him our World War II online game, Red Baron.

Wolfenstein 3D was incredibly violent, but also incredibly fun. I was blown away by the smoothness of the animation. I've always opposed violence in games, worrying that kids might try to emulate in real life what they see on the screen. Thus, I both loved and hated *Wolfenstein 3D*. I could smell the greatness. It was the most awesome technical achievement I had seen and I was jealous that it wasn't Sierra's. I didn't like all the blood, but I also had no doubt that customers would love it.

Wolfenstein 3D, from Id Software - I think of it as the beginning of the 3d shooter game craze that became much larger than I ever would have expected

Id Software had stepped up the greatness to even higher levels. Plus, it was the first time I had heard of something new they were doing:

Shareware!

With shareware distribution, Id was releasing an entire episode of their game for free, typically 9-10 levels – a huge value. Gamers had the option to send checks in the mail, or call a 1-800 order line, to buy the full three episodes of the game. It would then be mailed to them. People usually downloaded the free episode from a BBS, or they'd buy a shareware disk in a store.

These guys had discovered a formula that was generating cash with no effort. They were bringing in $50,000 a month! Nice!

I wanted to impress the guys and arranged dinner at the fanciest (and only) high-end restaurant in Oakhurst, The Elderberry House.

Before dinner, I decided that Sierra needed to acquire Id Software. At the time, Sierra was already a public company and I could easily acquire them with stock.

Erna's Elderberry House, Oakhurst CA

Erna's Elderberry House was a destination tourist restaurant that attracted diners from many miles away to have a romantic luxury evening. It was dressy and wearing a suit was standard practice at dinner.

Roberta and I agreed to meet the guys at the restaurant. We arrived early, and were waiting at the table for the Id guys to arrive, when Erna, the restaurant's owner, came to the table to tell us that our guests had arrived and that there was a problem.

The Id team (John Carmack, John Romero and Tom Hall) had driven across the country, and I had forgotten to warn them that Erna's had a formal dress code. Oops! They were wearing ripped jeans and frazzled t-shirts.

Erna would normally bar any such people from entering the restaurant, but I was a big customer and at the time we were discussing my investing with her on a Chateau that would be attached to the restaurant. After looking at me to see if I was really going to force her to accept these untidy guests, she had to lead us inside. We both knew I was going to owe a favor at some future time. Into the restaurant we went; me, dressed like a corporate "suit," Roberta in a dress looking elegant as always, and the three young out-of-towners.

Erna gave us our own private room with a fireplace and a very long table.

I was in awe, and still am. These guys were brilliant. I spent the meal trying to figure out what their hot buttons were. What button did I need to press to get them to consider teaming up with Sierra?

At the end of our dinner, I offered $2.5 million in stock. The guys wanted $100,000 in cash up front, but because of some obscure accounting rules, it would be difficult to pay them with both stock and cash. I said I'd try, but that it was probably impossible. The stock they would receive could easily be sold, so I didn't consider it a deal-breaker issue.

When they returned home, to Madison WI, John Romero called to say they would be interested in doing that deal, but needed the $100,000 upfront and a letter of intent. I said that the cash upfront as a deal killer, and that was the end of it.

With 20/20 hindsight, I should have done whatever it took to get the deal done. I remember wanting the deal, but I also had concerns about how the two companies would fit together. Their company was fairly new and fairly small. It really came down to just the guys we dined with. They were obviously talented but could they be counted on to generate a steady stream of product? Would a violent game fit with Sierra's product line? What would the chemistry be like between the two companies? They had (deservedly) big egos. I needed to believe we could work together for years to come.

I was convinced enough to want to do the deal, but not enough to fight for the deal.

From their perspective, they didn’t need Sierra. Normally, the appeal of joining forces with Sierra would be that we could promote, manufacture and distribute the games worldwide. They were doing just fine on their own bypassing the normal distribution channels.

It doesn’t surprise me that they went on to fame and fortune. They deserve it and more! It was an honor just to have met them, and I wish I had pushed harder.

Id Software went on to ship products that would change the industry.

Doom, by Id Software, published in 1993

It could have, and should have, been a Sierra product

Oh well… You can't win them all.

> ***We met you again in 1993 at an awards ceremony after we had just won our first SPA award for Wolfenstein 3D. We walked up and you said,"I know, I know – I screwed up, and that wasn't the first time. Great job, guys!" You're a real class act. We were honored to have been able to meet you and Roberta in person, and to receive an offer to buy our company was the ultimate compliment.***

Email to Ken Williams, from John Romero, August 2020

(1993) Sierra Moves To Seattle

Chapter 31:

> ***"All I really had was a suitcase and my drums. So I took them up to Seattle and hoped it would work."***
>
> **Dave Grohl, Nirvana**

Oakhurst was a beautiful place to live and run a company. But it was not an easy place from which to operate an international business.

I was constantly driving from Oakhurst to San Francisco to have a meeting or catch a plane. There was an airport only 40 miles away in Fresno, CA. but there were few direct flights from Fresno to places I wanted to go. Worse, I could never count on the Fresno airport being open. Fresno was prone to fogging up. San Francisco was only four hours drive-time away and it became a drive I made almost weekly.

Oakhurst CA

A great place to live, but is the right place to run a global business?

Ultimately, what forced Sierra to move our corporate offices out of Oakhurst was my effort to hire a new Chief Financial Officer (CFO) for the company. I had hired a San Francisco based company, Heidrick & Struggles, to lead the search, and after months of getting nowhere I called my contact at Heidrick in frustration. “Why do you keep sending me B and C level candidates?,” I asked. I was tired of having my time wasted interviewing candidates who were not at the level I was seeking. The answer came back without hesitation, “Ken. You aren’t getting it. No A player wants to move to Oakhurst.”

He was right. Oakhurst was a wonderful place for hiking, water-skiing, and living. But it wasn’t a place to run a business. There were no other local public companies from which to poach a CFO. If we wanted someone with the kind of experience I was seeking, it would be someone who would be relocating from San Francisco, New York, Los Angeles, or some other major city. And, the truth is that A players of the sort we wanted are always thinking about their career and where each job leads them. Oakhurst was not considered a waypoint on anyone’s career path.

Some of the problem had to do with their age. The average age of a software engineer at Sierra in 1993 was probably twenty-five to thirty. I was having no trouble finding young developers who would move to the mountains. Many were single and able to move without problem. Plus, Sierra had a special appeal to software developers. We were “the” game company a hot young engineer wanted to work for. Once you had Sierra on your résumé you could go anywhere. I wanted someone for a CFO who had decades of experience. There is a correlation between experience and age. By the time someone had the kind of experience I was seeking they probably had a spouse, kids, pets, a house, and all the trappings of success. Relocation to Oakhurst would be a huge effort. And, where would their husband or wife work? We live in an era where spouses have their own careers. Other than Sierra, there weren’t many jobs to be found in Oakhurst. And, what if the person moved and the job didn’t work out? Their next job would need to be in some other city, and that would mean uprooting the family again for another move.

Roberta and I agonized over the decision, but it didn’t take too long to arrive at the obvious decision. We needed to consider moving the company out of Oakhurst.

That said, not everything had to move. Sierra was comprised of different departments: Marketing, Sales, Finance, Manufacturing, and Product Development.

I've long forgotten the exact headcounts, but Marketing and Sales were not large organizations. Much of the sales force lived remotely anyway. Finance was a fairly small group. We had over a hundred employees who were in our manufacturing group, and Oakhurst was great for that operation with plenty of access to low cost locally-hired labor. We had hundreds of people (artists, musicians, software engineers) who worked in Product Development, and none of them needed to move. It seemed to Roberta and I that moving the corporate office might be easy.

The most obvious place for relocation was San Francisco. Roberta and I had considered a move to Marin county (north of San Francisco) a few years earlier when we almost merged with Broderbund. We liked the area and were disappointed that the deal fell apart.

Microsoft Stock Price History

The other city we considered was Seattle. It seems inconceivable now, but in 1993 Microsoft had stagnated. They weren't shrinking, but neither were they experiencing explosive growth. There wasn't much high tech in Seattle at the time. If someone at Microsoft wanted to leave, there weren't many other places for them to go. Boeing (the aircraft company) was about the only other real option. I was convinced we could hire some great talent away from Microsoft.

Roberta and I made a couple of trips to Seattle and loved what we saw. It was a huge city by Oakhurst standards, but not as overwhelming (or dirty) as Los Angeles or San Francisco. We also saw a waterfront home we liked a few miles out of Seattle on Mercer Island. It had a boat dock and we had always liked boats and water. And the final decision maker: Washington State had no income tax.

This would be a win-win for both the employees and the company.

I don't remember laying anyone off in Oakhurst as part of the move. There were some people whose departments were moving, that weren't happy, but down deep everyone knew it was the right answer for the company.

I don't want to give the impression that there was anything wrong with our management team. We had a team in place that was doing a terrific job. We were growing the company and crushing the competition. We were industry leaders. What more could anyone want?

Well…

The bigger problem than coping with our growth was my feeling that we weren't realizing our full potential. The industry was growing much faster than we were. Competitors were flooding into the market at an alarming rate. To maintain or grow our market share, we needed to be able to expand at a much faster rate than was possible in Oakhurst.

Sierra was a public company, and I felt the weight of this every day. There were thousands of owners of Sierra stock in addition to many of Sierra's employees. All of those people expected Sierra to be a growing and exciting company. Were it just Roberta and I who owned Sierra, and if we were just trying to put out enough games to pay our mortgage, I might have seen things differently. But, we owed it to our shareholders to keep up with the exploding market around us. I could see what was happening to competitors who weren't keeping up. Smaller companies around us were quickly becoming roadkill as they were passed by. I've always said that "Leaders lead, and followers follow." Sierra had to do what it took to move into the fast lane, and it wasn't going to happen if we stayed in Oakhurst.

There were also some personal issues, which helped make the decision to move a little easier. When Roberta and I first moved to Oakhurst, our son DJ was six years old, and his brother Chris was only eighteen months old. A major factor in why we left Los Angeles was to raise our children in a safer and cleaner environment. Oakhurst did deliver on that promise in both good and bad ways. The natural beauty was there and Oakhurst was a wonderful place to live, but the schools were mediocre at best. No one has ever moved to Oakhurst to take advantage of the local schools, except perhaps us, and we were wrong. It wasn't a city where kids were groomed from birth to attend a top

college, like Harvard or Stanford. Oakhurst was a rural mountain community that was a suburb of 40-mile-away Fresno, an agricultural community. There just wasn't a strong focus in the schools on "college prep." Roberta and I questioned the quality of the education our children were receiving, and there was a bigger problem. As Sierra would rise and fall over the years there would be employees who were laid off, or just didn't make the cut. DJ, our older son, was bullied in school by the children of former Sierra employees who had a grudge against Sierra. One parent, an ex-Sierra employee, even slugged DJ. Question: What adult slugs an elementary school kid? The answer, "Someone with a grudge against their employer." It was a company town, with all the good and bad that goes with it.

Roberta and I were not universally loved.

Sierra's Corporate Offices, Bellevue Wa.

Even though I keep saying "Seattle," it was to Bellevue that we moved the company. Seattle and Bellevue are only ten miles apart, bisected by Lake Washington. We purchased a home on Mercer Island, equidistant to the two cities, each easily reached by a floating bridge in minutes. It has changed now but in 1993 traffic congestion was not something to worry about.

As a side note, which is irrelevant to this story: Seattle and Bellevue are close enough to see each other but are worlds apart culturally. Actually, the word "culturally" may be the wrong way to put it. There are those who would argue that Bellevue is too sterile and has no culture, and there are those who would argue that Seattle has perhaps WAY too much culture. Most of the region's nightlife is in Seattle. It's

where you find the sports stadiums, the bars, the funky restaurants, the happening music scene. Seattle can easily be described as “more gritty” than Bellevue. Roberta and I now live in downtown Seattle, which perhaps says something about us. We are frustrated by Seattle’s lack of cleanliness and homeless problems, but would we ever live in downtown Bellevue? Probably not. Seattle is a spectacular place to live, and we remain optimistic that it will solve its issues “someday.”

The move to Seattle had far more impact than I had ever expected. It was like whiplash. I suddenly had a wealth of superstar senior executives to pick from. I don’t remember the sequence in which people were hired, but I quickly assembled a team of Vice Presidents who were shockingly good.

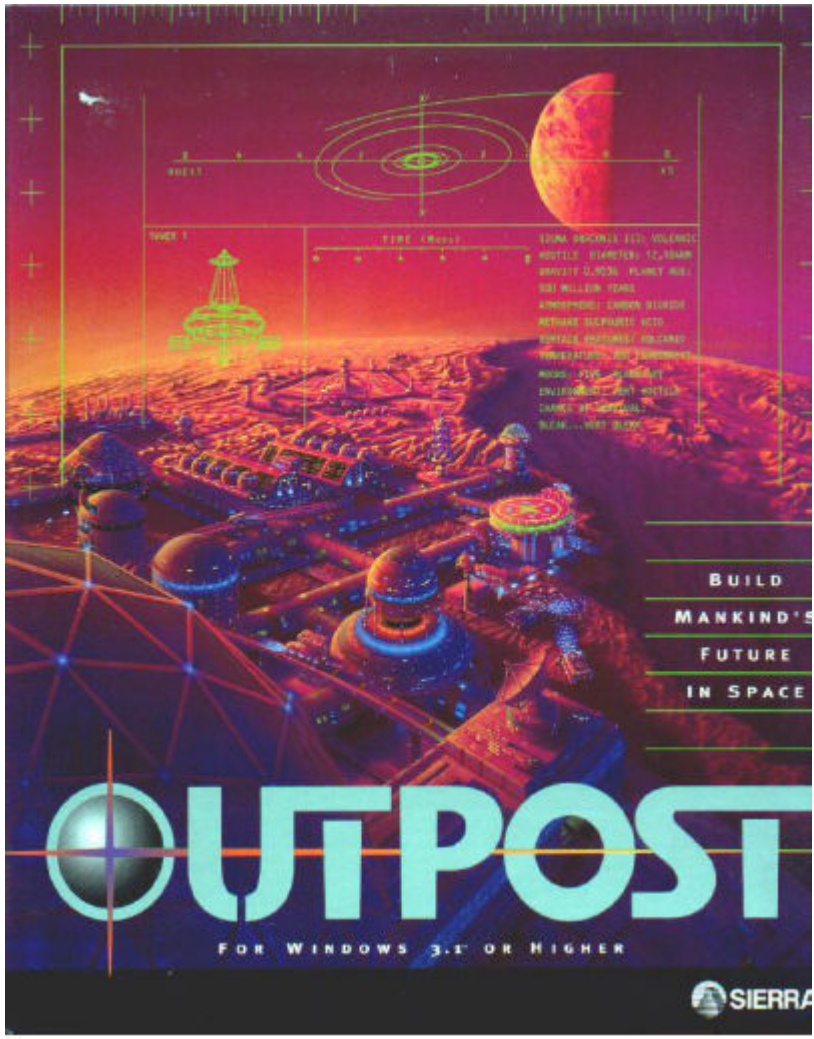
Sierra was about to set the world on fire.

(1994) Outpost

Chapter 32:

> ***"A market is never saturated with a good product, but it is very quickly saturated with a bad one."***
>
> **Henry Ford, Car Builder**

I am very proud of virtually every product that Sierra shipped, but there were definitely some mistakes along the way, and probably our most visible misfire was a space game called *Outpost*.



Outpost. Proof that Sierra was not perfect

I just read Wikipedia's listing for *Outpost* and it does a good job summing things up:

> ***"…Initial reviews of Outpost were enthusiastic about the game. The American version of PC Gamer rated the game at 93%, one of its highest ratings ever for the time. It was later made known that the reviewers had in fact played beta versions of the game, and had been promised certain features would be implemented, but never were.***
>
> ***Indeed, many of the features described in the game's own documentation simply did not exist in the game at***

> ***all. These included the ability to enter diplomatic relations with the rebel colony and the ability to build roads, orbital colonies, or the mass driver. Many of these gameplay aspects were later patched in, though in appearance only, as many of them failed to have any meaningful effect on gameplay.***
>
> ***Following the release of the game, the game's general bugginess and perceived mediocre gameplay, along with the lack of features described in most of the game's reviews and the game's own documentation led to a minor backlash against the computer game magazines of the time by consumers who bought the game based on their reviews.***
>
> ***In 1996, Computer Gaming World declared Outpost the worst computer game ever released. …"***

Wikipedia
https://en.wikipedia.org/wiki/
Outpost_(1994_video_game)

I do not remember how *Outpost's* author, Bruce Balfour, came to Sierra and do not want to say anything negative about him in this chapter. In fact, if the story of *Outpost* has a villain, I am the first in line to merit consideration.

The one-sentence explanation for why *Outpost* failed was simply that:

It shipped before it was complete.

However, there is a longer tale to be told, and it perhaps has lessons for others who want to build games.

I'll depart from talking about *Outpost* for a second to share a conversation I once had with Sid Meier, who wrote some amazing hit games, including *Railroad Tycoon* and *Civilization*. I remember being amazed that a game about railroads could be a hit and kicked off our conversation by saying so. Sid responded by talking about his design process. He said that he liked to start by quickly mocking up the game play using scratch graphics. An "X" or an "O" makes a perfectly acceptable player object, as does a colored square. The important thing is to get something on-screen that can be played. He then pretends to be the player and asks himself if he'd be willing to play the game, and if it is fun. If the game isn't fun, then it is either tossed or refined. Ultimately when he has a game that is fun to play, he'll

involve others and start working on animation and art.

Bruce Balfour approached *Outpost* backwards. Or arguably, I did. Bruce showed me pretty pictures, amazingly pretty pictures, of scenes from space, and talked about his vision for a game, and I was sucked in as were many others by the beauty and by Bruce's passion for the topic.

I should have said, "Give me a working prototype and we'll see what we see." That said, I'd almost certainly have approved the game based on a prototype. Bruce knew his stuff, and had powerful subject matter with incredible imagery. Everyone who saw the work in process fell in love.

Every project at Sierra had a sales forecast and, based on what we were hearing from the field, *Outpost* received a large sales forecast with a correspondingly high development budget. As preliminary copies of the game were leaked internally and to the press, anticipation built, and both the sales forecast and development budget crept upwards.

Every project had a delivery date projection. In mature entertainment industries, products, such as films, are completed long before their release. In today's world of computers, I can see how that is possible. But in the early days, hardware was evolving at a pace that made this impractical. A product that would look state-of-the-art one Christmas selling season might be obsolete and clunky looking by the next. Enormous sums of money would be spent to launch a product. We would run ads and buy shelf space at retailers. If the product wasn't available to be sold, magazines weren't going to give us our money back, and money given to retailers was lost forever.

During our quarterly product reviews I would ask Bruce how the project was going, and what percent complete it was. I would finish the meetings thinking the game was "almost there" and that only a few features needed to be added.

Unfortunately, outside of those product review meetings I would hear rumors that there were features in the manual that were not yet implemented, and that the engineers had no idea how they could ever implement some of the features that Bruce wanted.

As various dates came and went for *Outpost's* release I started hearing *Outpost* referred to internally by an alternate name, "*Compost*." Jokes started to be made that we should consider marketing *Outpost* as a

painting rather than as a game. It was pretty to look at, and if you just hung it on the wall, you'd love it. But, don't try to play it as a game.

The worst was that, as I wandered the halls of Sierra, I simply couldn't find anyone who was playing the game.

Customers will forgive bugs. If a game crashes or does something totally wonky, customers will be unhappy, but if they are having fun, they'll keep playing. Software is a challenge to develop, and you can't predict every possible machine that a product will run on. Whereas it is fairly obvious how a movie will be watched, a book will be read, or a song listened to, software products are used differently by different people and executed on an enormous variety of machines. Microsoft has been evolving Windows for over thirty years and yet I have no trouble crashing it from time to time. Crashes are frustrating, but overall, if the good outweighs the bad, customers will stick with you.

One line I use a lot is:

> ***"I will tell you where the gold is buried, but you have to do the digging."***
>
> **Ken Williams**

I didn't need *Outpost* to be feature complete or bug-free. But, I did need it to be fun. I wanted the team to remove features from the product and strip it back until they found some subset of the game that people would be willing to play without being paid to do so. Bruce and the team fought back saying that if I'd just be patient it would all come together and we'd have a monster hit on our hands.

And, so went the battle from month to month to month, and from projected delivery date to projected delivery date to projected delivery date. I would get angrier at the team, and the team would get angrier with me.

I believed in supporting my designers and Bruce was the designer on *Outpost*. It was his game and I wasn't going to dictate the design. Regardless of my personal opinion, if a designer wants something for their game, I will fight for them to have it.

Finally, I delivered an ultimatum to the team: "You are over budget and behind schedule. You have sixty days and we are shipping this game. The delivery date will not be slid further. Figure it out. "

Outpost should have been Sierra's biggest hit

It had all the potential but just never quite realized its full potential

The game that shipped was a major black eye for Sierra. The reviewers punished us and the halo effect that spanned all of our titles was gone for a very long while. The Sierra name had always meant quality, and we let our customers down. We had pooped where we ate.

The film industry deals with this from time to time. What do you do when you have a movie, that you have a ton of money into, and you suddenly realize it is a stinker? Actors and directors have been known to ask that their names be removed from the credits. But generally, you release the film and recover what you can from your development budget and hope that you are judged based on your overall body of work and not on one particular title.

If I had it to do over again, I'm not sure that I'd do things differently.

Were Bruce Balfour standing here I'm sure he would say, "If Ken hadn't pushed the product out the door before it was ready he'd have had a hit and I'd have had a long-term career at Sierra as a designer." Bruce may be right. We will never know. Given an infinite budget, and an infinite amount of time, I suppose the problems could have been solved.

Unfortunately, that is not how the world works, and it is what it is.

- INTERLUDE -

(A brief pause in the story, so I can wedge something in)

Chapter 33: Working with Family and Friends

> ***"Happiness is having a large, loving, caring, close-knit family, in another city."***
>
> **George Burns**

I'll save you the trouble of reading this chapter by summarizing it as: Don't do it!!!

Sierra was started as a family business. When Roberta and I started the company, I had visions of grandeur and of our little enterprise being a huge company. But, deep down, I knew the odds were against that happening. Really, all I wanted was for Roberta and I to be able to survive.

As Sierra grew, I hired my brother John. I hired our next-door neighbor. I hired Roberta's dad, and another of her relatives. Both of our sons DJ and Chris occasionally worked for the company. I hired people I had worked with at other companies.

The employees were our friends. We water-skied together, partied together, and in some cases, hot-tubbed together.

It all worked perfectly. Until it didn't.

In the very early days, Sierra was one big happy family. But then as the company grew, "business" started creeping in. The same people who had been excited about having a job, and creating something exciting, suddenly wanted to understand when they would get a raise. Vacation policies needed to be put in place. Royalties had to be negotiated. People who never showed up before noon had to be encouraged to come earlier.

The years at Sierra were filled with painful learning experiences.

The toughest learning came when I had to do my first layoff.

Theoretically, a layoff should be much tougher on the person being cut loose than on the person doing the layoff, but that's not how it was for me. The truth is that I had a very hard time, and still do, saying things that upset people.

Rick Cavin cracks the whip

To solve the problem of my always wanting to be "the nice guy" I tended to always surround myself with what I'll call "hatchet men," the most fierce and yet lovable of which was Rick Cavin. In the scene above, taken from Space Quest, you see a not-completely-funny portrayal of Sierra as a place where the minions are stuck in their cubicles while Rick stands above them cracking his whip. I can't tell if the other person walking above the troops is meant to be me, or if I am the evil corporate type sitting in the big office counting his money. Probably both.

Rick, like Mike Brochu, Jerry Bowerman and others, who arguably I hid behind, allowed me to focus on pushing the company forward while they did the dirty work. With age I've gotten better at saying things people don't want to hear, but in those days it was fairly common for me to tell Rick things like, "Rick, can you tell the *King's Quest* team that they are on mandatory overtime all this holiday

weekend?" If anyone ever tells you running a company is a nonstop party, they are fibbing about having run a company. There are good days and bad. And for the bad days I had Rick, and his successors.

Working with family was a particular burden. Imagine trying to negotiate a royalty agreement with your own wife. Roberta was easy, in that she had the best interests of the company at heart and understood the optics of her being my wife. On many of her early products, she asked for no compensation whatsoever. I was always hyper-sensitive when it came to dealings with family. Whatever Roberta's royalty rate was, even though she was our top author, I had to make sure that it was no higher than anyone else's. Both Roberta and my brother John always felt a form of reverse discrimination. John ran marketing at various times in Sierra's history including putting together our company magazine, InterAction. He was a superstar at Sierra but I always had to be cold to him, so as to avoid allegations of favoritism. We worked in the same building, but rarely spoke.

Some early Sierra staff members in a relaxed moment circa 1981. SCI system co-developer Jeff Stephenson is third from the left, and a very young John Williams is on the far right.

L to R: Bob Davis, Warren Schwader, Jeff Stephenson,
Eric ?, Rourke Weigandt, John Williams (in 1981)

Probably all family businesses deal with these issues, but they seemed much worse at Sierra. One thing that exacerbated the problem was that the company grew so fast. For example, the chief accountant in a 50 person private company needs different skills than the chief accountant in a 500 employee public company. Sierra was a company

where, if you did your job well enough, the company would outgrow you and you might find your job pushed down in the hierarchy. My brother John was the victim of this. Once we made the move from Oakhurst to Seattle, I recruited a VP of Marketing from Starbucks. John got us to the dance, but once there I dumped him for a prettier woman. He, like Roberta, was always a good sport, but for Sierra to realize its potential I always had to think about what was best for Sierra, our shareholders, and our employees.

It wasn't just family members and friends who went through this phenomenon. All over the company jobs were changing as the company grew. Heroes one year were goats the next.

The changing management and evolving rules at Sierra drove people crazy. I always considered myself to have a loyalty to the people we hadn't even hired yet. I felt a responsibility not just to the hundreds who worked at Sierra, but also to the thousands who I knew would ultimately be hired at Sierra if I did my job right. As much as I never wanted to lay anyone off, or say "no" to a raise, or force someone to work late into the night, I always knew that, if I made the tough decisions, the company would grow, and if I didn't, we'd be roadkill. Most businesses are reasonably stable, but not the computer business in the '80s and '90s. In some ways the business was very forgiving, but ultimately, I knew that we had to retain market share and keep up with the industry or we were doomed. It wasn't hard to predict that industry consolidation would be coming.

Some of my darkest times came when I had to layoff or terminate people who simply had outgrown their effectiveness at Sierra. I remember laying off a former neighbor who had followed Roberta and me to Oakhurst. He had quit his job and our kids had played together. A horrible memory. After years of friendship, the relationship was over, both for us and our children.

I also remember feeling double-crossed at times. I hired a family member who had no experience in the computer field to come in as an engineering manager. Don't ask me why. I was young and made mistakes in the early days. While working at Sierra he became a union organizer and tried to organize our engineering department. I liked him, had socialized with him, and we had many good times together. But, it was also becoming apparent that the job had outgrown him. The situation didn't end well. Sierra's employees voted against unionization, but it was definitely a tense time.

There are some interesting bigger-picture issues here. I'll shift away

from talking about family and friends for a minute and talk about employees in general. Companies ask employees for loyalty. Shouldn't employees expect loyalty from their companies? If a company loses a big contract or a big customer, and is losing money, should it keep employees who are unneeded? If technology changes and parts of the workforce are untrained on new technology, should the company retrain existing employees or hire new employees who have the right skills?

The answer to these questions falls into the realm of political beliefs. Roberta claims I am wishy-washy and tough to pin down on these topics. She is right. Roberta is more decisive, with confidence in her opinions, whereas I tend to see everything in shades of gray. Nuances count to me and I always try to make sure I really understand both sides of a decision before arriving at a conclusion. And, whereas Roberta usually believes there is always a right and a wrong answer, I tend to think there are multiple right answers and the trick is in picking the best one of many, or deciding which of many sets of tradeoffs is the most acceptable.

I always felt an incredible loyalty to employees. At Sierra, I didn't build the products. I didn't sell the games. I wasn't the one who took the phone calls. Our employees did all the work, and the company owed them a great deal of loyalty. The people do the work, not the "company" or me as CEO. It was their company, not mine.

That said, what about my loyalty to the owners of the company? We were public and had shareholders. They had a right to ask that I spend their money as efficiently and wisely as possible. The business world can be brutal. It really is survival of the fittest. Mistakes running a company put everyone's jobs at risk. Paying above-market-rates or keeping staff that is unneeded or under-performing is wasting money. And, money is a finite resource. Once you run out, it is game over.

Some companies have incredible gross margins and reliable customer bases. Sierra had a little of that, but we also had some uncommon challenges. Most of our products did 90% of their lifetime revenues on the day they were released. Many products never recovered their development costs. The machines and technologies we depended on were changing by the month. We had incredible competition, some of whom had no immediate need to show a profit. The market was expanding rapidly, but I could also see competitors falling by the wayside.

Did I make tough decisions when they needed to be made? Yes. Did

family and friends suffer at times? Yes. Did I layoff good people from time to time? Yes. Was Sierra always loyal to those who were loyal to Sierra? I need to weasel on this question and say: Yes, but only when it made good business sense. Ultimately, businesses that make smart decisions grow and prosper, and those that don't wither and die.

Somewhere along the line, while running Sierra, I discovered the truth:

Running a company is best done alone, without personal connections that interfere with business decisions. It's the right answer for everyone.

(1995) A Multiplayer Adventure Game?

Chapter 34:

> ***The global market for MMOG (Massively Multiplayer Online Games) estimated at US$36.9 Billion in the year 2020, is projected to reach a revised size of US$55.5 Billion by 2027***

https://www.reportlinker.com/p05818010

More than anything, I wanted to produce a multiplayer adventure game. I still can't tell you what it would have looked like, but I was convinced that multiplayer was the future, and that it represented the next big evolution for adventure games.

Roberta's "job" at Sierra was always to push the state-of-the art. As Roberta started on her design for *Kings Quest VIII*, I told her that there were two things I wanted her to consider: true 3D and multiplayer. Roberta and I would talk about it endlessly, and Roberta would always say, "It's impossible, unless you want to do more of a role playing game, where there is combat and no real story."

Initially, I wanted her to try to build a "*King's Quest*" land which would have thousands of people running through it simultaneously. Technically speaking, I was confident we could make it happen. The problem was, "What would the players be doing?" Typically, in a Sierra adventure game, there is some sort of a story and the player is trying to solve puzzles that will move the story forward.

We quickly gave up on the idea of having thousands of people playing within the same world simultaneously and instead looked at the option of having a fairly standard adventure game that would be played by a small team, perhaps three to five people, with each person playing a different character. If done in this manner, then the task seemed much more achievable. There could be puzzles that require teamwork. In a simplistic example, one character might need to hold a ladder while another character climbs the ladder. This seemed a direction worth pursuing, but we kept hitting roadblocks. How would teams be formed? What would happen if a team member dropped off-line? What if you want to play, and no one is around to be a team member?

My guess is that all of these things were solvable but, I hit an unforeseen problem. Whereas I was excited about the idea of a multiplayer adventure game, Roberta just wasn't that excited about the idea. I tried to excite her, and we invested many hours in bouncing different ideas, but she never really became passionate about the idea of a multiplayer adventure game.

Her belief was that rather than attempting a multiplayer adventure game, I should be focusing on a multiplayer Role Playing Game.

The differences in the game genres are somewhat muddy, and subject to debate. Role Playing Games (RPGs), have much in common with adventure games. Typically, you have a character that you control, and that character has possessions, skills and attributes. The possessions can include things like weapons, or if the character were a magician, they might possess magic spells. Combat, and teams formed of characters of varying types, often play a role in RPGs.

The end result was that Roberta chose NOT to attempt multiplayer on *King's Quest VIII*, but promised me we could discuss the topic again when it came time for *King's Quest IX*.

Roberta was right that an RPG made a lot more sense if I really wanted a massively multiplayer game.

Thus, I went to one of our programmers, David Slayback, who had worked on The Sierra Network, and gave him this mission statement: ‘Wouldn’t it be cool if we could do something like our adventure games, that was medieval themed, and allowed players to swap items with each other, buy weapons, and attack monsters?’ That’s the limit of my involvement creatively.

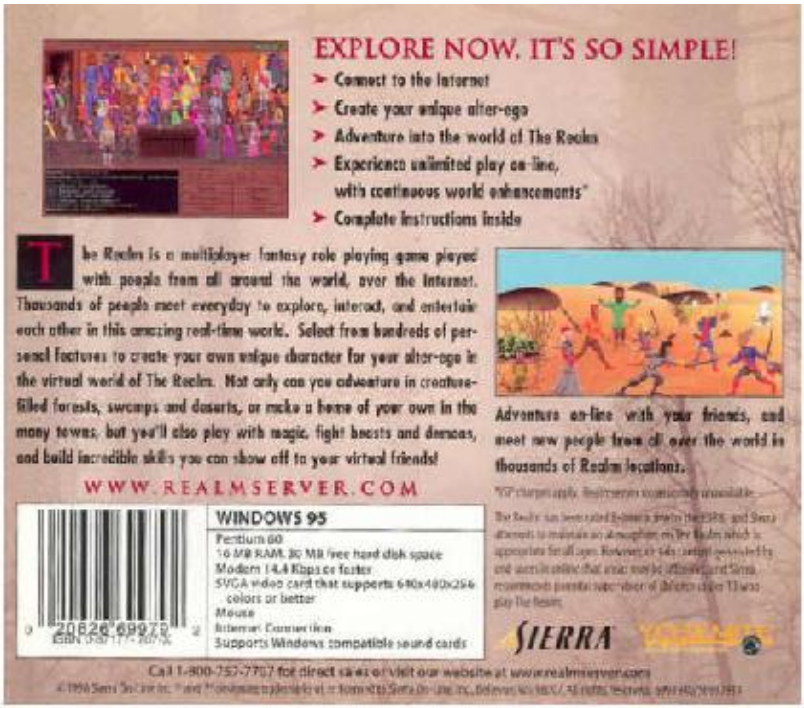
From my one sentence task description, David Slayback and Stephen Nichols, working with a small team, built a prototype for a game that would be called "The Realm."

The Realm was built using Sierra's traditional SCI game development language and as of 2020 could still be found online! Its usage seems to be slowing to a trickle, but it is quite impressive and amazing to think that it has survived for over 25 years!

An online massively multiplayer online game,
"Just" another Sierra first!

When we designed it there was nothing like it anywhere to be found. As near as I can determine, it was the first of the Massively Multiplayer Online Games. It doesn't sound like many now, but in its time the Realm got up to 25,000 players! An incredible number for the mid 90s. Imagine if Sierra had continued to evolve The Realm.

The Realm Starter Kit, sold at retail stores for $49.95, including three months of online play


EXPLORE NOW. IT'S SO SIMPLE!
➤ Connect to the Internet
➤ Create your unique alter-ego
➤ Adventure into the world of The Realm
➤ Experience unlimited play on-line, with continuous world enhancements*
➤ Complete instructions inside
The Realm is a multiplayer fantasy role playing game played with people from all around the world, over the Internet. Thousands of people meet everyday to explore, interact, and entertain each other in this amazing real-time world. Select from hundreds of personal features to create your own unique character for your alter-ego in the virtual world of The Realm. Not only can you adventure in creature-filled forests, swamps and deserts, or make a home of your own in the many towns, but you'll also play with magic, fight beasts and demons, and build incredible skills you can show off to your virtual friends!
WWW.REALMSERVER.COM
Adventure on-line with your friends, and meet new people from all over the world in thousands of Realm locations.
WINDOWS 95
Pentium 60
16 MB RAM, 30 MB free hard disk space
Modem 14.4 Kbps or faster
SVGA video card that supports 640x480x256 colors or better
Mouse
Internet Connection
Supports Windows compatible sound cards
SIERRA
Call 1-800-757-7707 for direct sales or visit our website at www.realmserver.com

The Realm is a multiplayer fantasy role playing game played with people from all over the world, over the internet. Thousands of people meet everyday, to explore, interact, and entertain each other, in this amazing real-time world...

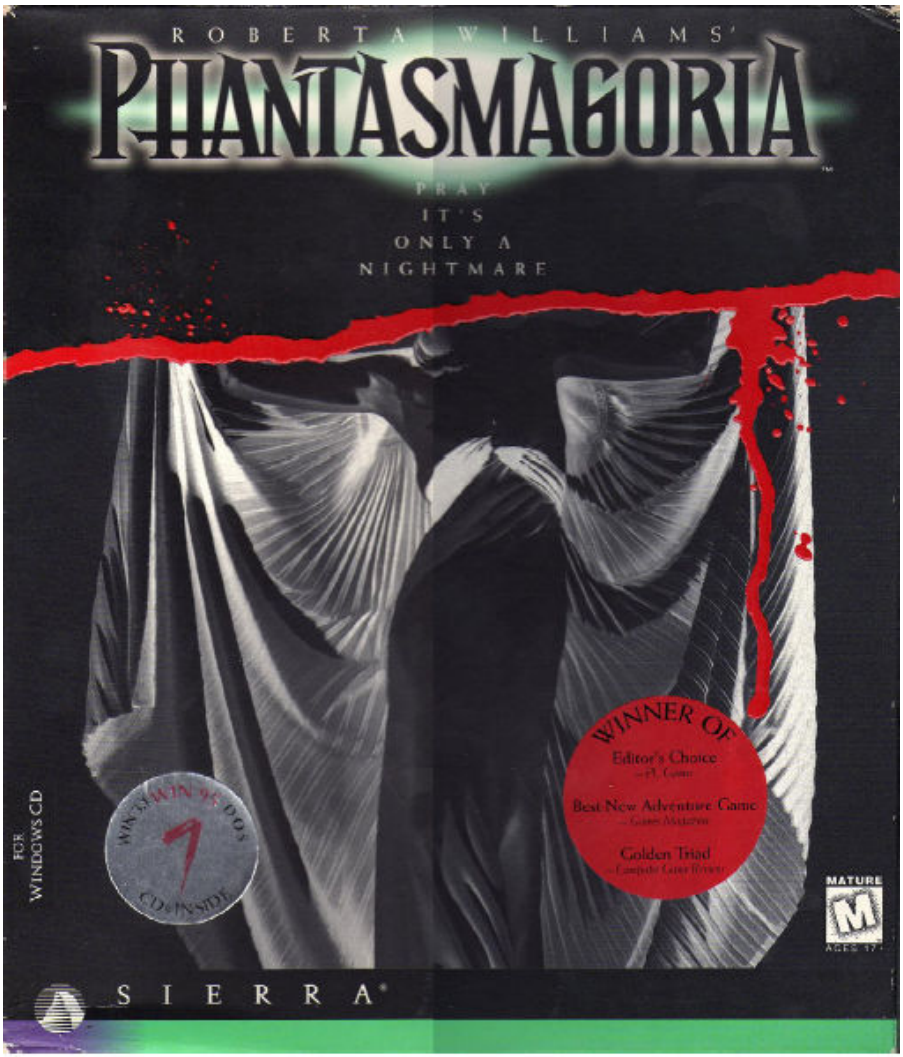
I saw one comment online indicating that the Realm was later re-coded in a more traditional programming language (C++)

(1995) Phantasmagoria

Chapter 35:

> ***To make Michael Myers frightening, I had him walk like a man, not a monster.***

John Carpenter, Director of the film Halloween



Phantasmagoria

Sierra's first game to use live actors

In my younger years I was an avid reader of Stephen King's novels and loved horror. For a decade I lobbied Stephen King to let us do a game based on his books. I've forgotten what his reason was for not allowing us to do a game. I don't think it was money. I would happily have paid what it took.

Had he said yes I'd have wasted my money. In those days, there was no stronger names that could have appeared on the outside of a box than "Roberta Williams" and "Sierra On-Line."

Roberta was also a fan of Stephen King's novels, and she had long thought that Sierra should publish a horror adventure game, but had serious doubts that it was even possible.

Roberta's perspective was that it didn't matter whether we did a game based on Stephen King, or if she did something herself: Any horror game would be doomed to failure.

Remember the Electronic Art's advertisement? "Can a computer make you cry?" Roberta was asking the question, "Can a computer make you scared?" She had serious doubts.

At a minimum, Roberta felt that live actors would be a requirement. The player must have empathy with the on-screen character or, "Who cares if she or he is about to die?" And, is it possible to ever care about a pixelated cartoon character?

The bottom line was that Roberta felt that I'd be wasting money to build a horror game unless I was willing to film real actors.

Her second objection was that she needed to think about how live actors could be employed, without the game feeling like you were just watching a movie. The whole point of an adventure game is that the player has to feel like they are the one driving the story and solving the obstacles and puzzles. If all the player does is occasionally click something on screen then sit back and watch a vignette be played, it wouldn't be much of a game. She was convinced that if she couldn't provide the same level of interactivity that had been in her previous games, then players would quickly be bored.

Her third concern was that if we use live actors, then the game player would suddenly have a very real protagonist that they control. With the extra burst of realism that would come from using live actors, would players suddenly feel uncomfortable seeing themselves in the game as a character they might not identify with, perhaps a character of the opposite sex?

A fourth concern was the horror itself. Roberta was not a horror writer, and had never written for television or live actors. Roberta was a writer of fantasy and children's games. Could she do it, and would her fans accept her writing something more serious?

Lastly, was it even technically or financially possible? Sierra had no ability to film live actors. We had no film studio or recording equipment. A Hollywood film of 90 minutes easily costs millions to film. How were we going to do an interactive story, with similar production values, that players might spend weeks playing?

Both Roberta and I were convinced that these were all manageable problems and that the upside, if Sierra could actually pull it off, would justify the extreme effort that would be required.

Had we realized what we were getting into, *Phantasmagoria* might never have happened.

When Roberta starts on a project she goes "all in." She spent months doing research before beginning to write. This included watching countless horror films, reading horror novel after horror novel, and searching everywhere for anything that might make her a better horror writer. She also had long discussions with me, and with the engineers at Sierra, to determine what might be possible.

Roberta had worked previously on a game called *Mixed-Up Mother Goose*, which was the first game released on a CD.

Whereas floppy disks offered 360kb of storage (about enough to store one medium resolution image), CDs offered the ability to store 700 megabytes of data (approx. 1,500 high quality images!).

We knew from the beginning that a live action game would require us to put the game onto CD, but also worried that even a CD might not have the storage capacity that would be needed. Whereas lots of pictures could be stored on a CD, even a short video would completely fill one

After several months of design, even more months, and some big money spent, we were ready to start development on the horror game that Roberta had named, *Phantasmagoria*.

We hired a director from Hollywood, Peter Maris, who had made a number of what I'll call "B" movies, including titles like: *Terror Squad*, *Land of Doom* and *Curse of the Red Butterfly*. Our selection of a director and the casting were difficult because of our location and the length of

the shooting. Realistically, we had no idea how long the shoot was going to take. Roberta had produced a huge design document. A 90 minute film might have a 100 page script, but Roberta's design filled volumes. And, whereas thousands of films had been shot over a period of decades, and was a fairly known process, we had no idea how long the shooting might take. We were not shooting a film, we were pioneering! We had to ask that the director and cast move to Oakhurst and stay for as long as it took, however long that might be.

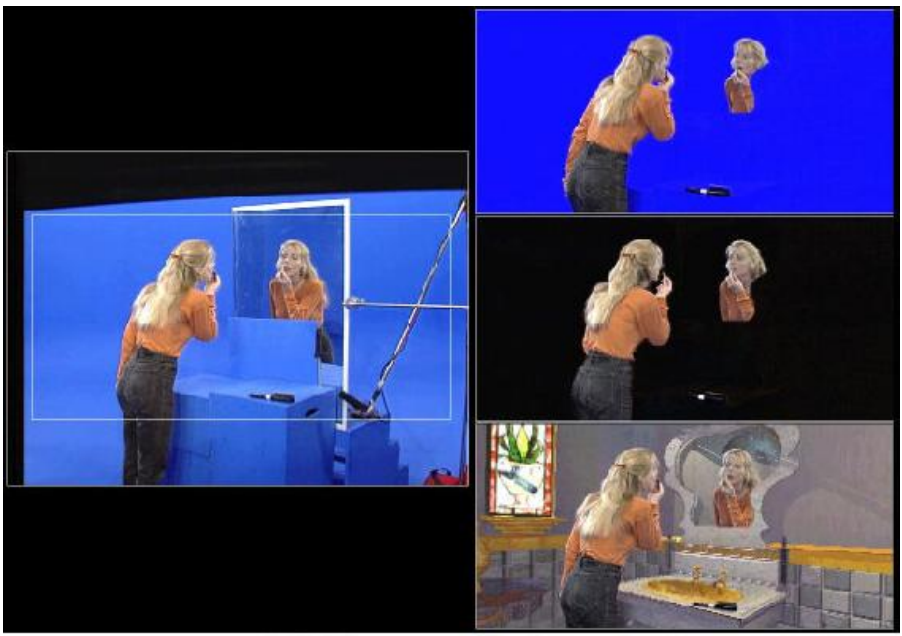
In games of today (the year 2020) live-action games, such as action games and sports games, typically accomplish their interactivity by rendering characters on-the-fly in three dimensions. A 3D figure is constructed and a texture (surface) is applied that is a picture or video of a live actor pasted onto a 3D character. The 3D characters resemble live-action because of something called "motion capture". Sierra employed this technique in our sports games. We would use professional athletes and bring them into the studio, paste sensors all over their bodies, and then have them go through a series of motions that were captured into our computer. We did consider using this method for *Phantasmagoria*, but the hardware in the early 1990s was not fast enough to do true 3d with multiple real-time rendered characters, and worse yet, the effect that is achieved never really looks natural. Even with today's high power machines, and beautiful graphics, I don't think the characters look real enough that horror, or a love story could be achieved. The overall effect, no matter what you do, looks too robot-ish, or cartoon-ish.

Phantasmagoria was going to sink or swim based on whether or not players would really care about the characters, and that wasn't going to happen with robotic looking characters.

Sierra's adventure games achieve their high degree of realism by using very short animation sequences, with many independent animation sequences on screen simultaneously interacting with each other. Most are only a few cells in length, displayed in only a fraction of a second, but on rare occasions they might be a couple of seconds long. When playing the game there might be several things animating on screen at a given time: There might be a windmill spinning, water in a river flowing, the player controlled character walking and other characters to interact with who are wandering around. A series of animation cells will need to have been created for everything the characters might do. These could include kneeling, walking, running, jogging, bending over, skipping, jumping, squatting, picking something up, opening a door, climbing a rock, etc. In some cases the same animation is used for different purposes, such as the "picking something up" animation,

but generally we avoid this because it can look bad or repetitive. Animation sequences needed to be kept short and specific to a goal in order to maintain player-controlled interactivity. For a central character, in a typical Sierra adventure game, there would be hundreds of individual animations.

We wanted to keep the interactivity of our classic games but use live action. To do this, we needed to film the characters independently from the surrounding terrain or location.



Behind the scenes on Phantasmagoria

Using blue screen video effects to blend live action and 3D rendered backgrounds

To make a long story short, Roberta and the team had to study her full *Phantasmagoria* script, identify every motion every character would make and video capture the action, slicing it into tiny pieces. In some cases, particularly when a character was talking, or an important story point needed to be made, we had no choice but to shoot sequences of two characters conversing or of an action sequence that was necessary to keep the story moving. This was always a challenge, in that I was constantly telling everyone who would listen my "7 second rule," which was that the player must interact with the screen at least every seven seconds, or they will fall asleep, or lose interest in the game. I would always describe it as the worst case scenario and that really what I wanted was a seventh of a second but that, if it was absolutely necessary, I would tolerate on occasion a seven second period of time. Roberta and the team knew I was right and did what they could, but it

was a learning experience for all of us.

We wanted to film in a real “scary” house, but it just wasn’t practical. We knew that the painted backgrounds we had been using wouldn’t provide the realism that we needed. Instead, we used 3D CAD rendering software to create the world in full 3D. We then grabbed screenshots of the 3D rendered world and used the same faux-3D technology, using multiple layer background screens, that had been used in all our adventure games. The fancy hardware that allows for true 3D environments today was still years from having a large enough installed base to depend on.

Roberta, and her producer, Mark Seibert, worked on the casting and found some great talent. The cast included Robert Miano, a character actor who has appeared in 280 films and tv shows, as well as Stella Stevens who on IMDB.com shows 140 television and film appearances, as well as many others. It really was a “Hollywood meets videogames” production. Victoria Morsell, who plays Adrienne had just been in a movie with Dan Akroyd, and David Homb her costar had appeared in seven films. I wouldn’t call the cast A-list, but they were more than up to the task.

Sierra was not a small company at the time, but it was still a huge undertaking. Most personal computers today are capable of running 3D software, but not back then. Instead, we had to buy expensive workstations for $10,000 to $20,000 each to create the 3D world. We leased an entire building and spent hundreds of thousands of dollars to create a film studio. We purchased tens of thousands of dollars of video and audio hardware.

We had originally hoped to fit the game on one CD, but as we started building the game we realized it would take two CDs, and then that grew to three and finally by the time the game shipped we were onto seven CDs! Even then, the game was bigger than would fit. In order to cram everything onto the CDs we had to compress the graphics more than we liked. The game that shipped was awesome, but not as beautiful as it could have been.

Here's an amazing souvenir that was saved from the production
The back of Roberta's director's chair!

Shooting Phantasmagoria

Phantasmagoria was so large that we had to ship it on seven CD-ROMs!

I don't want to be too critical because it was Sierra's biggest selling game of all time, but the game that reached the public was nowhere near what it could be if Sierra were to develop the game today. If all of the old footage exists anywhere (which I doubt,) it would be awesome if *Phantasmagoria* would be re-released on DVDs in the same resolution at which we produced it. *Phantasmagoria* was a great game and it's sad that customers were neverable to see it in its full glory.

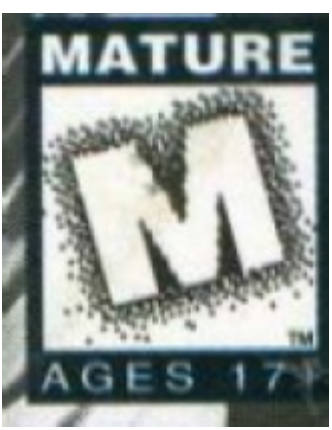
Speaking of which, there was a scene in *Phantasmagoria* which was shot with Victoria Morsell, the heroine of the story, topless. Roberta wrote the scene and helped direct it. If it were a horror film no one would have thought anything about it, other than giving the film an "R" rating. But this was a video game, and the market hadn't fully realized yet that interactive stories weren't always just for kids. When it came time to release the game though, we edited to only show some side-boob.

Even with only a hint of nudity, *Phantasmagoria* was not a game we felt was appropriate for children and voluntarily self-rated the product with a large "M" for mature rating.

Victoria Morsell, who played Adrienne Delaney in Phantasmagoria

Speaking of mature content

I wanted to be able to produce games targeting adults. I wanted to produce the equivalent of PG-13 or R content but in what might seem a contradiction, I am very protective of children. It may be a naive opinion in the insane world of today, but I believe firmly that kids should stay kids as long as possible. Kids learn fast at young ages and there are things I just don't think they need to learn until later in life.



Kathy Keeton, wife of Bob Guccione, publisher of Penthouse magazine, and I were once on a panel to debate the topic. Her position which seemed irrational to me was that ratings would destroy the

ability of interactive entertainment (video games) to have mature content. My position was the complete opposite. If ratings could be used to allow parents and retailers to know which games were ok for children, then I would be much more open to having that kind of content in our games. Kathy's point was that retailers like Walmart would automatically refuse to put R rated content on their shelves. She felt that retailers were smart enough not to sell her husband's magazine to kids, and that by applying a rating we were just locking ourselves out of major retail channels.

Kathy had a lot more experience in all of this than I had, and I respected her opinion. But, ultimately, I did put ratings onto our games. The innocence of childhood is too precious to lose to revenue goals, and overly aggressive censoring of content for adults is also unacceptable. All of these discussions were pre-internet. Today children of all ages have real porn, not the PG-13 and R-rated content I fought for, pumped directly to their computers. How has it worked out? Would you like my opinion of how it (the lack of an effective ability to shield children from violence and porn on the internet) has worked out? Horribly. I was absolutely right.

(1996) Half-Life

Chapter 36:

> ***Democracy don't rule the world, You'd better get that in your head; This world is ruled by violence, But I guess that's better left unsaid.***

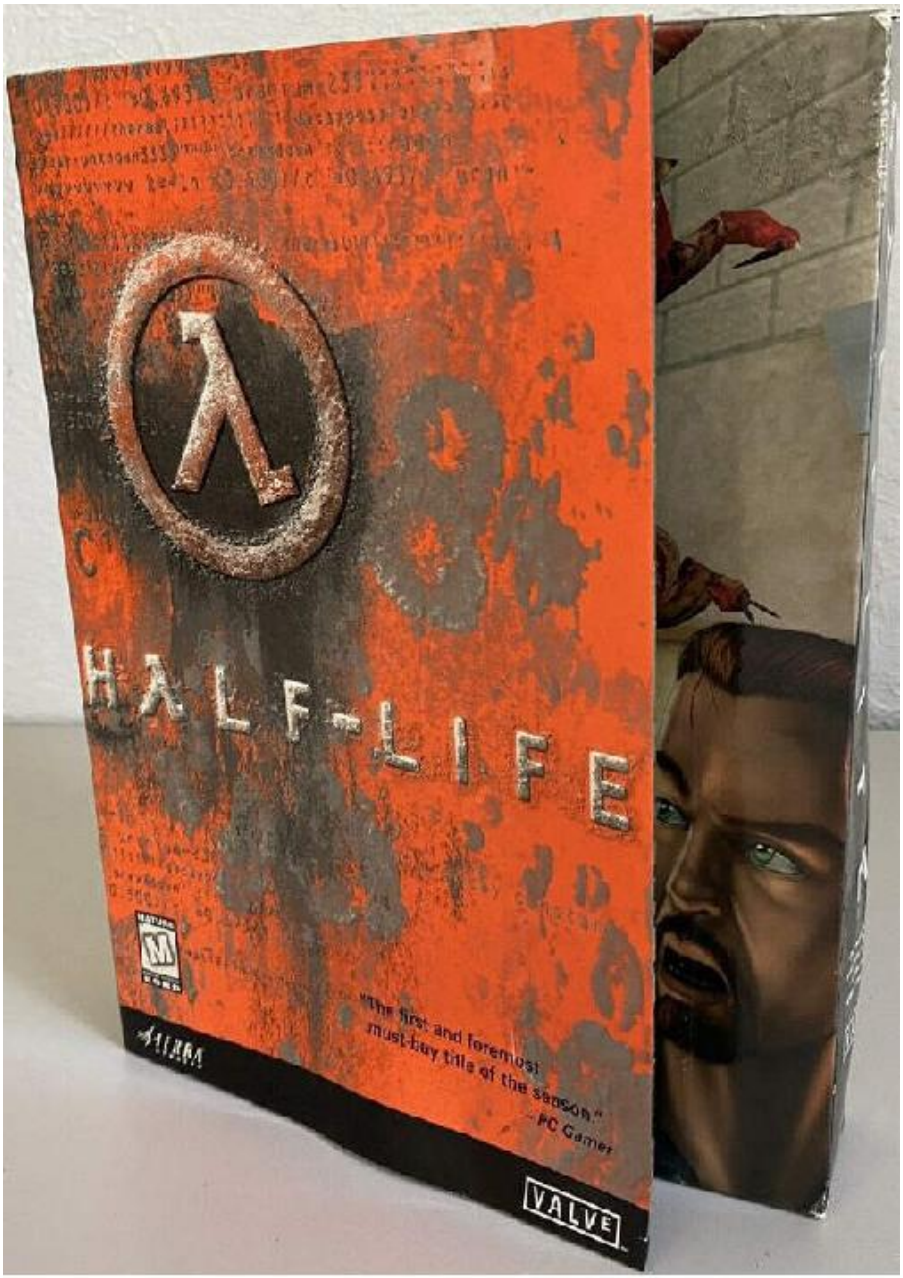
Bob Dylan, Singer/Philosopher

Now that I'm long retired, people ask sometimes what I used to do. I usually just say "I had a game company back in the old days." That inevitably causes them to say, "Did you make any games I might have heard of?" I answer, "*Leisure Suit Larry*." That normally is sufficient, but if there is no glimmer of recognition I pull out the heavy artillery and say, "*Half-Life*". Unless they've been sleeping under a rock for the last couple of decades that always lights up their eyes.

By 1996, it was clear that the game industry was rapidly changing. Many gamers now were demanding violent and fast paced action. I did not want to publish violent games, but had a responsibility as Sierra's CEO to keep Sierra at the head of the pack. I'd missed out on the chance to own id Software, and with it, the chance to own the industry-changing *Doom*.

Quake, a 3D shooting action game released in January 1996, also from id Software, represented a major evolution of their software, and shattered sales records. The same month, another similar 3D shooter, *Duke Nukem 3D,* was also released to terrific sales, sending a clear message that a new generation of gamers wanted something different and edgier in the games they purchased.

Dynamix was working on games that were intended to compete in the action game category; *Hunter Hunted*, and *Cyber Gladiators*. Both did well, but neither was the 3D shooter experience the market craved. Dynamix's 3D engine was not designed to do Doom-style games. With effort, we could get there, but at best we would be playing catch-up, not leading.



Sierra's entry into the 3D shooter market,
a massive hit called Half-Life

Quake, from Id Software

As I was trying to figure out what to do, a team of former Microsoft employees led by Gabe Newell formed a company named Valve and was able to license the *Quake* engine (the underlying technology that made *Quake* so awesome). Even with the *Quake* engine, because Valve had no prior experience making games, they were having a hard time finding a company which would fund them to build a game. They were seeking enough of a royalty advance to fund their development, and publishers didn't want to risk losing money on an unknown, and unproven, development group.

One day toward the end of 1996, I received an email. In it, Gabe Newell said he had an early build of a game ready for presentation. Sierra had no interest in publishing games that we hadn't developed internally, but given the circumstances, I took the meeting. I figured that, in the worst case, I'd get the inside scoop on how they were able to obtain rights to the *Quake* engine.

In November, Sierra and Valve had set a meeting, which ended up happening during a rare Washington snowstorm. I do not recall many details from the meeting itself, except that within half an hour of Valve's presentation of their game, called *Half-Life*, I made my pitch and offered to publish their game - with a caveat: Sierra would have to own the rights. I was absolutely firm in those days that Sierra would not publish a product for which we didn't have the intellectual

property (trademarks and copyrights). We did occasionally license established brand names, that already had an existing customer base, for example our line of NASCAR games developed by Papyrus, or our line of products based on Hoyle card games. If Sierra was going to fund the development of a new game series, and spend the marketing dollars to launch it, I needed to know we would own the brand.

Valve had the engine, they had an intriguing concept, and they had experience working at Microsoft. They also were talking about making something that would be far beyond a mere clone of *Doom* or *Quake*. They were claiming *Half-Life* would take the basic foundation of those games and build something new and exciting on top of it. This, to me, was very much in the innovative spirit of Sierra. I wasn't positive they could really deliver, but they were saying the right things and their early prototype of *Half-Life* proved they could get something done. The remote possibility of their actually building something better than *Quake* made it a risk worth taking.

We had hoped for *Half-Life* for Christmas of 1997, but I wasn't surprised when the game was delayed. Ultimately, it didn't release until the following Christmas.

Half-Life

Half-Life was a huge success, exceeding all sales estimates. I was gone from Sierra by the time it was released but heard that it sold over a million copies! *Half-Life* went on to have incredible reviews, and to

become a legend among a generation of gamers. The relationship with Valve extended to the games' sequel, *Half-Life 2*, and various expansion packs released to complement the original.

Somehow, in the years that followed, Valve was able to get their rights to *Half-Life* back from Sierra. It has been over twenty-five years since the day that I signed the contract, and I don't remember what the terms were.

I had a few quirks when it came to contracts. My philosophy was always that, "If someone didn't want to deal with me, I didn't want to deal with them." Generally speaking, if two people need fifty pages of contract to work together, they shouldn't be working together. The market was evolving rapidly, and writing a contract that covered every possible eventuality was not possible. When something unforeseen came up, the best answer was to sit across the table and talk about what was fair.

My standard approach to deal making was to draft a one page non-binding term sheet. It would say in plain English what Sierra was willing to do, who would own the various rights, and what the other party was expected to do. It would also detail what would happen if one of us were to drop the ball or if either party wanted out of the relationship. Sierra never had litigation with any of our developers, or had even been threatened with litigation, during my entire tenure.

To this day, what exactly happened with Valve after I left remains a mystery to me. I did a google search and saw that Valve and Sierra wound up in court. Whatever the issues were, I'm sorry that they led to lawsuits.

Valve went on to be extremely successful. I took a gamble on *Half-Life* and Sierra won, at least for a while. We had our answer to *Quake*, and Valve, during my time at Sierra, was a great partner. Valve remains a successful company to this day, and I'm happy to have been a part of their initial success, and I only wish that they continue to succeed.

(1996) Selling the Company

Chapter 37:

> ***"Sometimes life hits you in the head with a brick."***
>
> **Steve Jobs, co-founder, Apple Computer**

Sierra had added three new board members around the time of the TSN launch: Tom Beckman, Marvin Green and Walter Forbes. Their backgrounds say something about what I was thinking at the time.

Tom Beckman was the founder and CEO of Roland Corporation U.S., a leader and pioneer in the field of electronic music. Marvin Green ran a company called Reeve's Communications, which was one of the fastest growing television production companies in the country.

Walter Forbes

Sierra Board member, and CEO of CUC Corporation

Federal Prisoner# 23905-050 (more on that later)

And, Walter Forbes who ran CUC (Comp-u-Card), which Wikipedia describes as,

> ***"…a membership-based consumer services conglomerate***

> ***with travel, shopping, auto, dining, home improvement and financial services offered to more than 60 million customers…"***

Wikipedia https://en.wikipedia.org/wiki/CUC_International

My hope in adding Walter to our board was that he would be able to give advice about TSN as we looked at running a subscription-based company hoping to add millions (and, millions!) of subscribers.

CUC is largely forgotten now, but at the time their stock was a high-flyer on Wall Street with a multi-billion-dollar valuation.

To be honest, I never completely understood Walter's business. To this day, I can't completely tell you what it was. There were components of it that made sense, for instance they owned a company called RCI that facilitates time share swapping. They also operated a series of discount shopping clubs, where customers would pay an annual subscription fee, allowing them to buy products at near-wholesale prices. Whatever it was, they were certainly doing something right. They had $2 billion in revenues and over $200 million in profit.

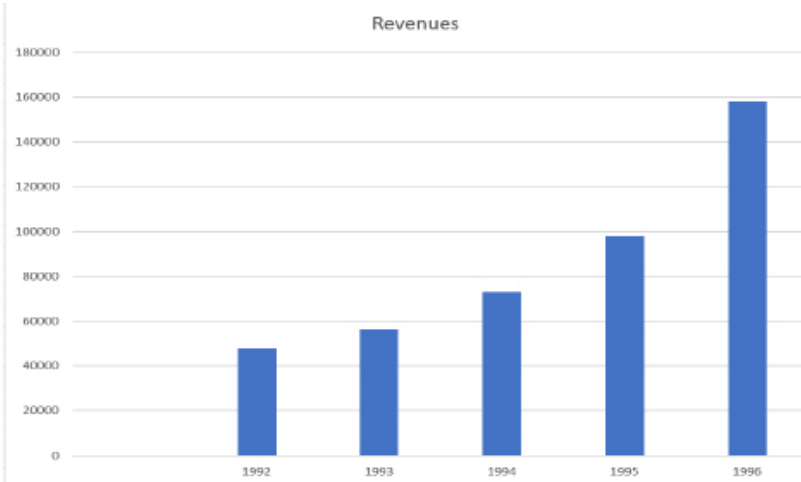
CUC's stock price was partially driven by Walter Forbes' role as a visionary. In Wall-Street circles he was perceived as the Elon Musk of his time. Several years before Jeff Bezos formed Amazon, Walter was presenting a slideshow to investors showing what he believed would be the ultimate transition of shopping from retail stores to online services. One of the slides in Walter's standard CUC presentation showed shopping centers being blown up as they were replaced by online shopping. It's old news now, but was revolutionary thinking at the time.

> ***"…With 1 million products online, handling $100 million in transactions a month, Walter Forbes and CUC are inventing the future of retailing, or whatever they call it…."***

Wired Magazine November 1997

Whereas I wanted to pick Walter's brain about subscription services and really understand the intricacies of customer acquisition and retention models, Walter wanted my knowledge of all things on-line and how to implement his vision for the future of shopping. He was convincing investors that the future of shopping was online but hadn't yet started on building the infrastructure needed to make it happen.

Walter joined Sierra's board in 1991 and was an excellent board member. During his tenure, we were going through an incredible growth phase.



From 1992 to 1996 Sierra's revenues from $47 million to nearly $160 million!

Here you can see why it was important to take TSN off of Sierra's financial statements. The start-up costs were a major drag on profits. Without TSN we earned over $16 million in 1996!

At a Sierra board meeting in Paris, at the Bristol Hotel, Roberta ran into Walter in the lobby of the hotel. After a bit of idle chit-chat, Walter asked Roberta an unusual question: "Has Ken ever thought about selling the company?" The question came out of nowhere and whereas Walter hadn't indicated that he was interested in buying Sierra, Roberta read ulterior motives into his question. Roberta

responded that we had no interest in selling and had never considered the idea.

> ***That was it. End of that discussion. But it was at that point that I knew that he was interested, and would maybe one day lob in an offer.***
>
> **Roberta Williams**

Lobby at the Bristol Hotel

I suspect ours wasn't the first deal that originated in these chairs

Roberta mentioned the question to me later, and her belief that Walter was thinking about acquiring Sierra. I disagreed. Walter's company had nothing to do with selling software. Video games and shopping? The two had nothing to do with each other. It made no sense.

In reality, I was dreaming of someday selling Sierra. There are lots of people who will tell you that building videogames is great fun, and for them it is.

It certainly was for me in the early days, but as Sierra had grown I was farther and farther from the action. Sierra was approaching one thousand employees who were scattered across the globe. We had offices in Seattle, Eugene OR, Bellevue WA, San Francisco CA, Oakhurst CA, Boston MA, Salt Lake City UT, London, Tokyo, Versailles France and more!

My compulsive personality was aggravating the situation. Sierra had the Triple-A management team I had always wanted, but I couldn't bring myself to delegate many parts of product development and marketing. I was involved in every product decision. I wanted to read every quote attributed to me. I wanted to proofread every box and every advertisement. Our geographic distribution meant I was constantly on an airplane traveling to meet with developers. I had started to describe my job as "professional airplane passenger." The days of writing code were far behind me. Now, my days were filled with travel, meetings, presentations, and more meetings.

It seemed like everyone associated with Sierra, except me, was having fun.

The worst part was that I always had to be the villain. Most meetings were full of tenseness for one reason or another.

As I would meet with each of the development teams, I would:

- **Try to push them to make the game better**. I needed to see something unique in the market. I wanted to be excited. When I'd see something that looked good, but didn't stir me, I needed to say so. From the team's perspective I was the ivory tower based corporate idiot descending from the sky to come tell them their game looked like crap when I'd only seen it for 15 minutes.
- **Whine about the budget**. It took constant pressure from the very first day of projects to bring in projects anywhere near on time or on budget.
- **Encourage cross pollination**. One way to bring projects in on budget was to leverage code developed for other projects. I was constantly seeking ways to give customers more for their money and reduce our product development cost. This was not a popular concept. Developers were protective of their code, or feared that another team using the code would mean time wasted spinning the other team up to speed.

My visits to Sierra's development teams were occasionally liked, but not very often. Virtually everyone associated with Sierra's products wanted them to be bestsellers. Left to their own devices, the teams would agonize over the games forever. Asking an artist to compromise quality in order to bring the art in on budget is not a win-win for either of us, but it's something I had to do every day. Telling a programmer, who hopes someday to become a game designer, that they have to remove something they had put into a game, because the designer doesn't want it there, was a regular part of my job.

Shutting down projects, ruining dreams, pushing people to finish work in half the time they wanted, staring endlessly at spreadsheets, riding on airplanes: That was my life.

> ***I always felt the most important word in my vocabulary was "No." If I had to summarize what went wrong with Sierra after I left, in the fewest possible words, I would probably say that the new management didn't understand when to say yes, and when to say no.***
>
> **Ken Williams, August 2020**

And, of course, there were the demands of being a public company. Every ninety days Sierra's sales, profits and expenses were reported publicly. Slipping a product from one quarter to another would have a huge impact on our revenues and profits. In the television and movie industry it is common for a film to sit "in the can" for a year before it is aired. This was impossible in Sierra's business, in that part of what sold our products was our focus on pushing the technology. A year-old movie looks the same as the day it was released, but computer technology was moving so quickly in those days that the market for a product could dry up if a product missed its release window. More importantly, there was Christmas when we would book half of our entire year's revenue. If a product missed Christmas and had to be released in January or February, the total revenue projection would need to be radically reduced, converting a money-making game to a loser. I was in a never-ending battle to deliver the revenues required by the public for us to be considered a "growth stock." Wall Street would sometimes forgive missing profit projections, but failure to grow meant a plummeting stock price and virtually every developer losing money on their stock options, leading to bad morale.

Meanwhile, expectations were rising, and the headcount was rising. I was near a breaking point. I needed to delegate more, but it just wasn't in my personality to do so. I felt I needed to be in the trenches helping to move the product along and protecting the soul of Sierra's products.

We had built a great company, but I was more a part of the Sierra formula than perhaps even I understood.

Months later, in February of 1996, Walter blindsided me after a board meeting to ask officially if the company could be acquired.

Roberta and I had a long discussion about how to respond. Whereas I

wasn't having fun, Roberta had the world's greatest job. She was opposed to the idea. She couldn't envision any way that her life would be improved, and could easily identify ways in which it could get worse. I explained to her that the decision was out of our hands, and that Sierra was owned by its shareholders. Roberta and I did own a significant piece of the company, but the vast majority was owned by investors. As the CEO of a public company, I had something called "a fiduciary duty." To state it simply, the decision wasn't mine to make. As CEO of a company, with thousands of shareholders, I had a responsibility to do what the company's true owners would want me to do. I felt that legally I had to meet with CUC, to at least see what price they were willing to pay, and whether or not an acquisition might be in the best interest of Sierra's shareholders.

As a public company, acquisition discussions are a huge issue. If word of the discussions were to leak to the public, it would affect both companies' stock prices. It was critical that nothing be leaked until we could tell everyone at once, and that nothing be said to anyone until we could determine if a deal were going to happen or not. Realizing Walter was serious I immediately contacted lawyers and had them guide us through the process.

We had to move at lightning speed. I didn't want anyone at Sierra to know what was going on and hid the discussions even from my most trusted lieutenants.

We met in a hotel room in San Francisco. One would think that a discussion like this would be all about the price. It wasn't. When a public company is being acquired there is usually a "control premium," especially for a rapidly growing public company like Sierra. Sierra's shareholders had an expectation that Sierra would continue to grow. If control were to be turned over to a new management team, a price premium would need to be paid. We quickly agreed that for Sierra's shareholders to support the deal they would want a significant premium to the current stock price. We were trading at $27 a share and CUC agreed to pay $38 per share. A very nice control premium! Sierra's shareholders would be very happy.

Personally speaking, it would be a nice payday. As CEO of a public company, my ability to sell stock was limited. If I were to try to sell a large amount of stock, Sierra's shareholders would interpret this as a lack of faith in the company and the stock price would plummet. Not only would my net worth increase by a third overnight, but it would also become liquid. CUC had a $20 billion market cap at the time. As the CEO of a tiny subsidiary, I would be able to sell stock without

trashing the stock price. I'd also be less subject to the ups and downs of Sierra's stock price. And within a much larger company, the enormous pressure to hit each quarter's numbers would be reduced (or, so I hoped!)

With the price issue behind us, I still wasn't happy.

There was one more issue to be negotiated, and it had to be resolved to my satisfaction.

As much as I liked the idea of selling the company, I needed to believe that the deal would make sense and that Sierra would be stronger as a result. Competition was flooding into the market. I didn't want to lose momentum. I had been burnt by partnering TSN with AT&T. Big companies screw up little companies. I was worried that a small entrepreneurial company like Sierra would be destroyed by being part of a large conglomerate like CUC. Even if CUC didn't screw us up, the shock to Sierra's system, and confusion caused by the change, would almost certainly affect our ability to ship products on time.

Why would a shopping company be interested in videogames? Even though we had agreed on price, which could be argued to mean I had to take the deal, there were other important considerations.

Sierra's shareholders would be trading their shares for CUC shares. Regardless of how many CUC shares Sierra's shareholders might receive, the deal would only be good for Sierra's shareholders if the resulting consolidated company were going to be a rapidly growing, and profitable, company. I needed to be convinced that Sierra's shareholders were really "trading up". Sierra's shareholders bought into Sierra's stock because they had a belief that Sierra was going to be a leader in consumer software. I needed to be able to honestly tell them this was a deal that was in their best interests.

Walter was a big thinker. First, he explained that CUC was valued by the market as a rapid growth company. CUC's shareholders expected CUC to boost revenues dramatically from year to year. To keep the stock price momentum moving, he had to make bold moves. Next, he explained that he saw the internet as the future and that Sierra's expertise in dealing with networks could help bring his on-line shopping vision to life.

And, then he brought out the heavy artillery. He had been in discussions with our competitors and was planning to consolidate the industry. He hoped to roll together several consumer software companies into one larger organization. He had spoken to Davidson Associates, a major player in education, Broderbund, another large education and entertainment company, LucasArts, George Lucas' game company and more. Davidson and Sierra would be the first two of several companies to be acquired. Walter's stated goal was to consolidate the individual consumer companies into an industry dominant powerhouse.

It was an exciting vision. We discussed how the consolidated company would be run. Walter convinced me that it was as important to him to keep me involved in product development at Sierra as it was to me. He wanted to know that I'd stick around and stay motivated.

I was candid with Walter that I didn't completely believe him. It's like being on a date and being asked, "Am I the sexiest [girl or boy] you've ever been with?" Answer that question wrong and the evening is over. Walter was giving me the standard lines that I always used with the founder of every company Sierra acquired. I meant it when I gave those lines to potential acquisitions, and perhaps Walter did mean it. I had known him as a board member but never really worked with him.

Could he be trusted?

We talked about what functions would be consolidated after the acquisition between Sierra and Davidson. Walter's suggestion was that we run the two companies independently for a few months and then evaluate to see what made sense. This sounded fine to me. I could easily envision many different options for how Davidson and Sierra could work together to create something bigger than either of us alone. Bob and his wife Jan Davidson, who were running Davidson had a good reputation. As strong as Davidson was, Sierra was that much stronger in every department. I knew we could win every challenge when groups (product development, marketing, sales, operations) were compared. And, if Davidson had some group better than Sierra's, then so be it. I'll always trade up to something better.

We then talked about the elephant hiding in the corner. "Who is going to run the consolidated company?," I asked. As much as I respected Bob and Jan, I didn't want to have to work for either of them and I seriously doubted they wanted to work for me.

Walter had played this game before. As fast I could serve the ball, he was standing there ready to bat it back my direction. "We will form an Office of the President that will run the software division, with Bob Davidson, you and Chris McLeod," he said. Chris was CUC's Executive Vice President and a member of the Office of the President. I hadn't met him, but it did make sense. Bob and I would be encouraged to work together, and if we couldn't agree Chris McLeod would break the tie.

Chris McLeod

CUC Office of the President

We struck a deal and turned the lawyers loose to draft documents. The deal was announced a few days later.

Article in the Los Angeles Times, Feb 21, 1996

Los Angeles Times
Feb 21, 1996

TIMES STAFF WRITER

Signaling both the rapid consolidation underway in the multimedia software business and the swift rise of electronic commerce, a major East Coast marketing company said Tuesday that it will acquire both Davidson & Associates, the Torrance-based educational software leader, and Sierra On-Line Inc., a Bellevue, Wash.-based interactive entertainment company, in a pair of stock swaps worth a combined $1.7 billion.

CUC International Inc., a Stamford, Conn., company that sells discounted products and services to tens of millions of people through its shopping clubs, said the talents of the two multimedia companies will help it move into the on-line world with a range of attractive services.

“We believe the on-line world will expand dramatically,” said Walter Forbes, chief executive of CUC. “And we are likely to be the premier content player.”

But the unusual dual acquisition quickly ran into trouble on Wall Street, where CUC shares plunged $6.25 to close at $31.25 on the New York Stock Exchange. Under terms of the merger, the deal is off if CUC shares fall below $29. Davidson’s stock, by contrast, jumped $6 to $24.50 and Sierra climbed $7.375 to $34.50 in Nasdaq trading.

It remained unclear Tuesday exactly how CUC intended to exploit the strengths of Davidson and Sierra On-Line. CUC would sell the two companies’ products through its clubs, but Forbes spoke only vaguely of new on-line shopping services that might employ some of the multimedia talents of the software companies.

> "They are saying they are in the content business, but that doesn't fly," said Craig Bibb at PaineWebber, whose downgrade of CUC shares contributed to the sell-off. "They've become a conglomerate and invested in an unrelated business."

Breaking the news to my senior management team was not easy. All of them had piles of stock options that were worth millions of dollars, but this could mean that overnight they had plunged from being at the top of the industry's hottest company to possible unemployment. Their stellar performance was being rewarded with disaster. I tried to sell them on the idea that this was a good thing and that there was always a role for Triple-A players, but they could read the writing on the wall. This was the end of Sierra as we had known it. Although the deal was announced in February, it would take months to close.

It didn't take long after the deal was announced for problems to appear.

Dennis Cloutier (Sierra's VP Sales) and Mike Brochu (Sierra's President) came bursting into my office one day. One of Dennis' salespeople had been told by the buyer at Walmart that they wanted to wait to order some product until after the deal had closed. The buyer was being told by his Davidson salesman that Davidson would soon be taking over selling Sierra's products and that they should wait to order because Davidson was offering a larger discount.

Dennis Cloutier

Possibly the best Sales VP who ever lived

Dennis felt his organization was being undermined by Davidson. He was hearing in the field that Sierra's sales force would soon be wiped out.

I calmed Mike and Dennis as best I could. I couldn't believe what they were saying, although I had no doubt they were telling the truth. Could Walter and CUC be double-crossing me before the deal was even done? Were we walking into a trap?

I angrily called Walter to ask what was going on. He said that no decisions had been made and if Davidson's salespeople were saying such things, then they were out of line.

My management team was encouraging me to kill the deal. The CUC stock price had sagged as a result of the deal being announced. Investors didn't understand why CUC was diversifying into consumer software. It was confusing to them, with good reason. Even though the deal hadn't closed, Sierra's stock price was tied to CUC's stock price and was bouncing up and down as CUC's stock price moved. What had once been a 30% pop in Sierra's stock price was being wiped out by the drop in CUC's stock price. Walter was making the rounds of the large mutual funds who held CUC stock to explain the deal and was assuring me that the stock price would rebound.

I was ready to walk on the deal. Walter needed to find a way to convince me that the deal we signed up for was the deal we were going to get. My faith had been shaken and I was being reminded daily by Sierra's management team that we would be screwed the second the deal closed.

Walter found a creative solution to reassure me. He would name Chris McLeod, one of his senior-most executives at CUC and myself to a newly created post as Vice-Chairman of all of CUC. He would also add me (not Davidson) to the board of CUC. Walter also agreed to add Sierra's President, Mike Brochu, to the three-person software board (Chris McLeod, Bob Davidson and myself). Sierra would now control two of the four seats on the board running the consolidated company. And, to top it all off, Walter would add me to the Office of the President of all of CUC!

Lastly, Walter pointed out that I personally was going to wind up owning more shares in CUC than even he, the original founder of the company. We talked about his vision of on-line shopping and his goal that I could bring it to reality. We were talking about creating what would, years later, make a Seattle entrepreneur named Jeff Bezos the

world's richest person with his company, Amazon. I had no doubt I could bring Walter's vision off his slide deck and into homes. I was worried, but excited. Most importantly, I was onboard to make it happen.

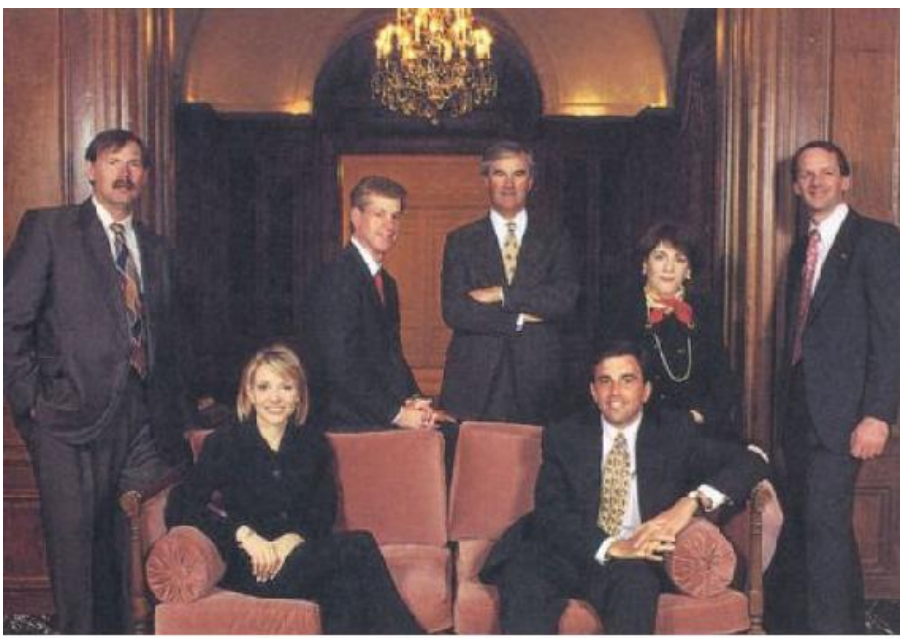
Walter's effort to reassure investors was working. CUC's stock price was back up to previous levels and then climbed even higher.

At the time the transaction closed, CUC's acquisition of Sierra was valued at almost $1 BILLION dollars. Sierra's board was shocked. What had once been a dog in their portfolios was suddenly one of their most profitable transactions ever.

Chapter 38: (1997) The Aftermath of The Merger

> ***"SOS Titanic calling. We have struck ice and need immediate assistance."***
>
> **Telegram of the RMS Titanic, April 14, 1912**

As promised, I was added to CUC's board, office of the President and became Vice-Chairman



Picture from CUC Annual Report in 1997

L to R: Ken Williams, CUC Public Relations person whose name I don't remember, Kirk Shelton, Walter Forbes, Cosmo Corigliano, Amy Lipton, Chris McLeod

All of my efforts to guarantee that Sierra would have a voice in the operations of the consolidated company quickly proved to have been a waste of time.

In doing the research for this book I learned for the first time that Bob Davidson had been promised, **prior to either Davidson or Sierra being acquired,** that he would have total control of the consolidated company. I would not have allowed Sierra to be acquired had I known this.

In the decades since that time, Sierra's downfall has been attributed to fraud that would be discovered years later at CUC. The financial shenanigans almost certainly had a part to play, but the collapse of Sierra may have been foretold before the deal was even done. I had been firm during negotiations as to what would be required for the merger to succeed. CUC agreed to Sierra's demands but was just saying whatever it took to get the deal done, with no intention of following through.

The promised software board never met.

Bob Davidson was given control of the consolidated software business. All of the Sierra's corporate functions were moved to Torrance CA. Sierra's executive team, myself included, felt we were never given a fair chance to state our case.

I was horrified, but tried to have as good an attitude as was possible. And in fact, it did make sense to consolidate all of these operations.

There's a good argument that sometimes the best way to do a consolidation is to just "rip the band-aid off". I always believe that, "If something bad is going to happen, let it happen as soon as possible and just get past it." It is demotivating to know that something horrible is about to happen, and if there's a way to avoid pain, then by all means do so. But if the pain is inevitable, then the sooner it happens and is behind you, the better. One of my many sayings, that I have an annoying habit of repeating is: "If there be shit, then let there by shit." The important thing is to get to the other side and get on with life. Nothing is to be gained by dragging it out.

To my team at Sierra, I was a cheerleader for the merger. My team needed to focus on the products in development, and on the benefits of being part of a larger organization. The merger was old news. We needed to be thinking about the future.

It bothered me that the corporate functions were being stripped from Sierra, and that my team seemed to have no voice in how it was happening. Ultimately though, the company was going to rise or fall with the success of our products, not with the geography of where the corporate functions existed. Bob Davidson was a smart guy and a successful entrepreneur. I felt we had been suckered during the acquisition, but crying about the past was not going to move the ball down the field. At that point I had only had one option: I had to do whatever it took to make the software business successful.

I felt the deal could still work if Sierra were to interface with Bob Davidson's corporate organization in the same way that Sierra had interfaced with the companies we had acquired.

When Sierra had acquired companies, it had always been a priority that the acquired companies' management not feel disrespected. As much as I love creating and marketing brands, the real value in a software company comes from the people behind the products. If you lose the people who build a product, having a good brand name won't help you. My goal was that any company we acquired would maintain the leadership, the entrepreneurial spirit and the culture that had given them their success. Each of Sierra's subsidiaries had a strong leader who had a vision for their company. I didn't want to lose them, and in order to keep them, they needed to be respected and given a certain amount of space.

If Bob was going to be the king of the world, I could at least be the king of my corner of the empire. I wanted the same respect from Bob that Sierra had accorded our subsidiaries.

Unfortunately, it wasn't playing out that way. An "us vs them" attitude seemed to pervade everything. In particular, I wanted Bob and Sierra's President, Mike Brochu, to establish mutual respect. I also wanted Davidson to work through Jerry Bowerman and myself on product strategy.

I won't point fingers other than to say that I was unable to get Davidson's team and my team to respect each other.

As CEO of CUC Software, Bob felt he had the ultimate responsibility for all of the software business. He was correct in this. From Bob's perspective, he needed people in place who were loyal to him. He wanted people who would follow his marching orders without argument.

On the other hand, Sierra's President, Mike Brochu, and myself had entered into the deal promised that there would be a software board and that we would actually outrank Bob. Both Mike and I wanted Bob to succeed, but Bob didn't seem to be interested in help from Mike or I. Only Bob knows what was in his mind, but from Mike's and my perspective, we had the feeling that Bob would prefer we weren't there.

My "boss," and alleged co-president at CUC, was Kirk Shelton. He, along with Chris McLeod and myself were in the Office of the

President of CUC.

I wrote a series of memos to Kirk suggesting ways that I thought everyone could work together successfully. In the beginning these emails just asked Kirk to referee the various battles between Bob Davidson, Mike Brochu and myself. I was worried that many of Mike's duties had been stripped from him and that he was not being consulted as decisions were being made that affected Sierra.

Over the months that followed the merger, my emails to Kirk offered a series of escalating suggestions as to how things could be structured to keep peace in the family. Finally, I stated that either Bob had to go, or I had to go.

> ***Date: Nov 10, 1996***
>
> ***To: Kirk Shelton***
> ***CC: Walter Forbes, Chris McLeod***
> ***From: Ken Williams***
>
> ***I believe that a CUC Software business which is run as a partnership between Bob Davidson and myself would be unbeatable. Unfortunately, Bob and I cannot work together. Bob has never agreed with how responsibilities were divided, which has led to constant infighting. The past six months have been extremely difficult. The constant tension is taking a toll on management at both companies and the underlying businesses are being jeopardized.***
>
> ***During the meeting in Palm Springs, you successfully negotiated an agreement with Bob under which he would recognize that he does not manage Sierra. I have doubts that Bob will ever wholeheartedly support any scenario in which he did not have complete control over the software business. Bob believes that he must have total control over the software business in order to guarantee success. If he does not want to make this work, then it may be doomed before we start.***
>
> ***I have offered to run the software business, and I have offered to transition out of the software business. Neither of these options is as appealing as my 'impossible dream' of Bob and I working together, but at this point these may be our only options. You have***

> ***asked that I 'give it another try.' I am skeptical, but a team player.***
>
> ***The attached document defines my needs, if I am to remain with the software business. Hopefully, you will find my requests reasonable. If not, I will resign unless you immediately remove Bob from the software business. You have a tremendous investment in software. If there is a way to keep both Bob and myself in the software business, then this is the best option. If not, then we need to know this and move quickly, before the value of your investment is dramatically reduced.***
>
> ***Thank you,***
> ***Ken Williams***

Ken Williams email to Kirk Shelton, Nov 10, 1996

Product and Sales Challenges

Phantasmagoria was Sierra's biggest hit at the time.

> *"Phantasmagoria quickly became the best-selling game in the United States and was Sierra's best-selling computer games to date. It grossed $12,000,000 and sold 300,000 units during its first weekend of release. […] By September, it had reached number one on the list among computer games and ranked third among all computer software […] One year after Phantasmagoria was released, it still remained in the best-seller charts, and more than one million copies were ultimately sold, making it Sierra's first game to reach that milestone"*

Wikipedia: https://en.wikipedia.org/wiki/Phantasmagoria_(video_game)

Phantasmagoria was a controversial game. It was the software industry's first game to receive an "M" rating, equivalent to an R rated movie. It had sex, violence, magic and more. There was nothing I considered offensive about *Phantasmagoria,* beyond the gory content typical of the genre, but given its content it was clearly not intended for children. Sierra was no stranger to controversy, and yes, I did fan the flames at times.

Controversy was good in that it was a form of free advertising and

created demand for the game. However, it also created problems. There were retailers who balked at putting *Phantasmagoria* onto their shelves. We had fought the same issue with *Leisure Suit Larry*. Sierra's salespeople knew how to sweet-talk the buyers at the large retail chains into keeping our products on shelves. It wasn't always easy and took an effort, but we had to do it. A retail chain like Costco could move a lot of product, and if our product wasn't on their shelves neither us or them would be making money.

Davidson took control of sales, almost immediately wiping out Sierra's sales force. Davidson's specialty was the development and sale of educational products. They had educators on staff. Products like *Phantasmagoria* and *Leisure Suit Larry* were perceived as all that was wrong in the world. And to my surprise, I was hearing feedback that even *King's Quest* was offensive to Davidson's sales force. "How could *King's Quest* possibly offend ANYONE?," I asked. Next came *Police Quest* and the decision to hire Daryl Gates. Davidson was based in Torrance CA, very close to Los Angeles. Gates had stepped down as police chief at the height of riots only miles from Davidson's offices.

Keeping Sierra's products on shelves at major retailers was a challenge that Sierra's sales force understood and had dealt with. Asking Davidson's educators to explain to conservative retailers why Sierra's products were not going to destroy America's children was an impossible mission.

The result was not only lessened sales of Sierra's products, but a tidal wave of product was coming back from large retailers. Bob Davidson explained the problem as excessive inventory in the field by Sierra, and I spun my tale of a mismatch between Davidson's sales force and Sierra's product line. CUC didn't know who to believe.

With 20/20 hindsight, I could have, and should have, fought harder.

Meanwhile, Roberta was busily working on her next *King's Quest* game and would come home at night crying. I'll talk about the hell she was living through in another chapter.

The entire situation was driving me crazy. My management team and the developers were constantly coming to me saying, "HELP!" I tried to do all I could. To CUC's credit, Kirk Shelton flew often to both Oakhurst and Torrance trying to get their two recently acquired software companies to quit the internal bickering and focus on the finish line.

Throughout most of my Sierra days, I belonged to an organization of young company presidents, called fittingly the Young President's Organization, or YPO. At YPO meetings, there would often be some member who was in the process of selling their company, and there was one phrase that I would often hear repeated, "If you ever sell your company, get as far away as you can, as fast as you can." This sounds crazy but has plenty of wisdom. I don't know the statistics, but my sense is that most acquisitions of companies with strong entrepreneurial leadership are not successful. Even if the result is a successful company, inevitably there is cultural and operational change that is painful for the organization, and particularly hard on the former leader of the company. It's like handing your child off to someone else to raise. No matter what they do, it will always be your child and you will have strong opinions on their upbringing. If you trust the new family, it is better not to know every little detail. You'll just drive yourself and them crazy.

That isn't to say that I wasn't shocked, saddened and disappointed. Sierra had expected to have a voice at the table as decisions were made, and that was not what happened. Kirk was trying to keep me involved, and I did try to stay involved, but it quickly became obvious that I needed to step aside if Bob was going to have a chance of succeeding.

My team needed to understand that there was a new sheriff in town, and it wasn't me.

NetMarket and online shopping

Finally, I decided that it was in everyone's best interest that I refocus my efforts on implementing Walter's vision for online shopping. As part of that effort CUC had acquired one of the first companies to do on-line shopping, NetMarket.

With no notice to Sierra's developers, I quietly moved out of Sierra's headquarters, to a small office across town, leaving Mike Brochu behind at Sierra to deal with CUC and Davidson. I was technically still part of Sierra but also knew that, unless I could win the territory war with Bob Davidson, the right answer was for me to get out of his way and let him do his job, his way.

NetMarket had huge potential. I had been inches from changing the world with TSN and now had a second chance with NetMarket. I stopped paying attention to the fiasco that was Sierra, beyond trying to think of motivating things to say when Sierra's management and developers would call. Bob Davidson was a different guy than I was, but not a bad guy. There would be a period of transition, and there would be a lot of shouting before the battles were over, but I was confident that if I moved out of the way the end result would be a healthy and growing software company.

> ***"While general online malls were superseded by specialty shops and forced to close, NetMarket continued to expand the range of its inventory. In 1997 the chairman of CUC estimated the company could fill approximately 20% of a family's retail needs with that number going up to 95% in three years. The company was also profitable, estimating doing more than $1 billion in sales in 1998. The Economist called NetMarket's business model the third wave of online retailing - one site providing goods found in an entire mall but focused on the efficiency and low prices provided by specialized retailers."***

Wikipedia: https://en.wikipedia.org/wiki/NetMarket

My first CUC board meeting was an eye opener.

CUC had added me to their board and I was excited about attending my first CUC board meeting.

I always looked forward to Sierra's board meetings. I had assembled a board of "players." All of the board members were super-intelligent

and successful people. I've long forgotten how many board meetings we had each year, but these were treated as major events with weeks of preparation and planning. I wanted the board's guidance and knew that their wisdom would only be worthwhile if they could somehow understand our business. I would have their attention for only a few hours. My goal was to quickly and efficiently spin them up to speed on the challenges and opportunities facing Sierra, and then harvest their wisdom. There are people who surround themselves with people who like to tell them what they want to hear. I'm not one of them. It is impossible to learn anything from someone who always agrees with you. Sierra had a board, Roberta included, who did not hesitate to challenge Sierra's vice presidents and myself.

Each board meeting would start with presentations by each of Sierra's vice presidents. I would show pre-release copies of games in development and discuss marketing strategies. We would go through the financial statements in detail.

I liked to have the board's full attention during these presentations. To do this I would carefully prepare a series of slide, computer and video presentations. I wouldn't shut down discussion completely, but I discouraged it during the first half of the meeting. I wanted the board fully spun up to speed on all segments of Sierra's business before we would start really digging in. At exactly the scheduled time, the lights would go out and the show would begin.

CUC's board meeting started a little differently. By the end of the first hour we had covered everyone's golf scores and favorite wines. I was not a golfer and was left out of the discussion. My theory on golf came from a quote attributed to Bill Gates,

> ***"If I'm interviewing someone, I'll ask them their golf handicap. If they give me a number it tells me something about them. People who are serious about their careers don't have time to play golf."***

I avoided the game and was disappointed that these pillars of the business world thought it was important enough to disrupt a board meeting. We finally sat at the table and vacations were discussed. Walter was asked at some point, "How's business?" He answered that all was good, followed by hardly anything more. I was waiting patiently for the lights to dim and the projector to light up. It never happened. Instead, we were back to conversation having nothing to do with CUC. And, then the meeting ended. To be fair, there had to have been more discussion of CUC's business than what I had seen. Maybe

they talked out in the hall and I missed it? Maybe over the years it has slipped my memory?

After the meeting, I called Roberta in shock. I had flown all the way to New York for a nothing meeting and being on CUC's board meant nothing. I was allegedly one of three people in the Office of the President and yet I had little idea what the company even did, what the challenges were, or how I might add value. CUC was a public company. I guess I was happy that things were so much under control that there was no serious business to discuss, but it was disappointing.

Continued tension between Sierra and Davidson

Meanwhile, back at the ranch, Mike Brochu was doing what he could to co-exist with Bob Davidson but each day was becoming more painful. I had hoped that with me stepping aside, other than my occasional involvement with Sierra's development teams, that things would start to calm down, but it wasn't happening.

I was blindsided in January of 1997 when I heard that Bob Davidson had abruptly left the company.

Bob's departure made no sense. I asked, "Why?," but no one was talking. Years later, during the litigation that occurred I was able to review an excerpt from a deposition (sworn testimony) by Kirk Shelton, of CUC.

Bob Davidson had confronted CUC and demanded that CUC split off the software business as an independent company. I have never heard why Davidson wanted to get the software business away from CUC. Is it possible that Bob had started to have suspicions that the CUC guys were trouble? They seemed to have granted his wish, giving him complete control of the software business.

I had even stepped aside, so that he could have the unchallenged power he seemed to desire. What had he hoped to gain by parting company with CUC?

Bob and Jan Davidson gave CUC an ultimatum. Either they spun off the software business as an independent company, or Bob and Jan Davidson were going to walk.

CUC took the Davidsons up on their offer, accepting both Bob and Jan's resignation.

My first reaction was, “Good! They’ll put Mike or me in charge and we can turn this thing around.” But, corporate offices for the software company had already been moved to Torrance, and I was in Seattle. CUC's co-President, Chris McLeod, was willing to move to Torrance and a decision had been made. It was absolutely the wrong decision, but I was never asked. All of the negotiations prior to Sierra’s acquisition were long forgotten.

Amazingly, what I was told differed with what the public was told. To the outside world CUC was implying that I was still involved with the software business. Behind the scenes, I had stepped away months before.

> ***The company also announced that Kenneth Williams, a vice chairman of CUC International, a member of the office of the president and co-founder of Sierra On-Line, will expand his responsibilities and will now be actively involved in the development of CUC’s interactive business. Mr. Williams will also continue to provide strategic direction for Sierra On-Line.***

Excerpt from SEC filing by CUC on Jan 27 1997

There are statements in CUC public filings, that I discovered when researching this book, that came as a complete surprise. The excerpt above was put out by CUC when Davidson left the company. I would dispute this characterization. CUC never expanded my responsibilities in any way, or asked me to reengage with the software business.

My second board meeting was to be a whopper.

On May 27, 1997, less than one year after CUC acquired Sierra, CUC announced that they would be doing a “merger of equals” with another company named “HFS.”

> ***“CUC International Inc. and HFS Inc. said yesterday that the two companies planned to merge in an $11 billion deal that would combine such franchises as Century 21 real estate, Days Inn motels and Avis rental cars with a powerful but less known force in telemarketing, home shopping clubs and travel information.***
>
> ***The combined company would have revenue of about $4.3 billion, 45,000 employees and 168 million***

> ***customers. The merger would allow HFS and CUC to cross-market services, from CUC's Welcome Wagon and electronic home repair, relocation and classified ad systems to HFS's lineup of Coldwell Banker, Century 21 and ERA real estate brokers and its Ramada and Super 8 lodging chains."***
>
> **New York Times, May 28, 1997**

It was a very serious board meeting with both CUC's and HFS' board members in attendance. Henry Silverman, HFS's Chairman and CEO described his vision for the consolidated company. Walter Forbes would be Chairman of the consolidated company, with Henry Silverman as President and CEO. After the first couple of years Walter and Henry would flip positions. Henry indicated that he was starting to think ahead to spending more time with his family and I left the meeting with the sense that Walter would be running the consolidated company forever.

The merger of two large public companies takes time. Each of CUC and HFS has to have a shareholder vote approving the merger. I would never have suspected it at the time, but I would no longer be associated with any of CUC, HFS or even Sierra by the time the transaction would close.

The last straw

From my new office away from Sierra, I was keeping busy putting together a plan for how CUC was going to dominate online shopping. I was becoming frustrated. I was theoretically working on the project that Walter had been speaking about publicly for years, and which was being positioned as the key to CUC's future, however there didn't seem to be much support for my effort. I had expected extreme pressure to make something happen, and there didn't seem to be a hurry. I remember telling Mike Brochu that I felt like a mushroom. I was being kept in the dark and fed nothing but manure.

Occasionally, someone in the software business would call for advice, or ask me to lobby on their behalf with Chris McLeod, who was running the software business at the time. But, other than these pleas for help, that I'd receive from my former Sierra associates, I did my best to not think about the software business. It was too depressing.

That said, I am an optimist. I continued to believe there was a way to stop the ship from sinking. Chris McLeod was sharp, but new to the

software business, and making what I felt were rookie mistakes. In my mind, all he needed was a little education.

I made a long list of things that needed to be done, both shopping related, and also for how the software business could get back on track. I called Walter to say that I wanted to formally present my ideas. The CUC management team was at a management retreat in Vail. Ostensibly I was in the Office of the President of CUC, but that façade was long over. I had been relegated to mushroom mode and was not invited to their meeting. However, Walter did at least allow me to fly over and present my ideas. I agonized over the document for weeks and felt I had come up with ideas that would make a real difference.

I forget now what my ideas were, or why I thought they were life changing. My only recollection was of the humiliation of being ignored at my meeting with Kirk Shelton, Chris McLeod and Walter Forbes. None of them cared, or were even listening to, what I had to say. Heads were nodded, but they were distracted. It didn't seem to be me, or what I was presenting. It seemed to me that they were focused on some other larger problem and had bigger fish to fry.

I returned from that meeting completely demoralized and told Roberta I had no choice but to quit.

In August of 1997, one miserable year after Sierra's acquisition had been completed, I informed CUC that I was resigning. It took a few months to hammer out my severance from the company, but on Nov 1, 1997 I formally signed a severance agreement and exited the Sierra building in Bellevue WA, never to return.

Mike Brochu, Sierra's President, and Jerry Bowerman, who had been responsible for Sierra's product development, also resigned.

There was no going away party. I just packed my stuff and went home.

Naively, even though I was no longer there, I still believed in CUC and thought the HFS merger was going to create an even more powerful company, but Roberta had become disillusioned. She was still working on a game, and things were not going well on her newest *King's Quest* project.

Walter Forbes and his management team had lied to Sierra and were destroying the company we had spent seventeen years of our lives building. At that point, all Roberta and I wanted was to get away from

CUC. I tried to put the best possible face on the disaster, but there was no denying that the merger was a total mess. That said, I remained convinced that Walter and his team were smart business people and that the software business would recover. Perhaps without the Davidsons and myself the company would shift to focusing on product and stop being sidetracked by anything to do with the former leaders.

Roberta was even more upset than I was and insisted that we sell our stock along with my resignation. We talked about selling stock over a long period of time, but there had been a stock market crash in Asia and it rattled us. We decided to just blow out our CUC stock all at once. That decision would turn out to have been a very lucky one.

A month later, the CUC/HFS merger was completed. The new consolidated company was to be named: Cendant.

It was incredibly sad to be leaving Sierra. I would happily have stayed if I had thought I could make a difference, but the time had come to admit defeat and hit the door.

As I left Sierra, I remember thinking that, "At least things can't get worse."

But had I looked out the window, I might have noticed dark clouds gathering at the horizon. Those clouds were filled with lightning, and the storm that was brewing would be more violent than I ever could have imagined.

Chapter 39: (1998) The Ship Hits An Iceberg

> *"Titanic sinks. Great Loss of Life."*
>
> **London Herald Newspaper Headline, April 16, 1912**

This article from the NY Times describes events at Cendant headquarters in April 1998:

> ***"Are you sitting down?"***
>
> ***The question came from Michael P. Monaco, Cendant Corp.'s chief financial officer, in an April 9 call to Cendant Chief Executive Henry R. Silverman. In December, Cendant had been created by the $14 billion merger of HFS Inc., run by Mr. Silverman, and CUC International Inc. Now, Mr. Monaco told his boss, "We have a problem."***
>
> ***At a meeting at Cendant's Parsippany, N.J., headquarters, two former CUC managers who stayed on after the merger, Casper Sabatino and Steven Speaks, had just alleged to Mr. Monaco a breathtaking fraud. In many past quarters, they said, they had been instructed by CUC superiors to inflate revenue through bogus accounting.***
>
> ***In sworn affidavits taken by Cendant investigators days later, they spelled it all out. They said they had been told to record millions of dollars of phony orders. Mr. Sabatino said he had been told to arbitrarily adjust revenue up or expenses down. He had raided reserves set up for merger costs to cover revenue shortfalls. In short, the men alleged that they had cooked the books to order for CUC executives…***
>
> **NY Times, april 1998**

Cendant stock crashed immediately, losing half of its value the first day after the scandal was discovered.

I had been gone from Sierra for five months but had remained in

communication with several people at Sierra, most of whom had stock options.

In those days, in order to attract and retain key talent, companies like Sierra would grant stock options. A stock option gives the recipient the right to purchase shares of the company's stock at some predetermined purchase price, usually the current trading price on the date at which the option was granted.

Here's a simple example:

A software engineer might be offered 10,000 stock options at the time of hire. So, let's say that the stock price was $15/share on the day that the options were granted, and a couple years later the stock price had climbed to $28/share. To exercise the stock option the engineer would need to purchase the 10,000 shares at the $15/share previously agreed to price, or $150,000. They would then sell the same 10,000 shares at the new $28/ share price, or $280,000. The engineer would have an instant profit of $13 per share, or $130,000! In reality, the engineer never had to write a check. Stock brokers would complete both halves of the transaction, and all the engineer had to do was pocket their profit.

Stock options served two purposes:

1) To give employees a chance to participate in the overall success of the company, and
2) To lock in employees so that they could not be poached (hired away) by a competitor

Stock options work to retain key employees via what is called "vesting." Sierra's stock options contained a provision that specified that they would vest over a five-year period. In other words, a 10,000 share stock option could only be cashed in 2,000 shares per year over a five-year period. To perpetually lock-in key employees, new stock options were often granted annually.

Stock option plans vary from company to company, and perhaps today they work differently than was common in those days. At Sierra, there was no requirement that stock options be exercised (cashed in) as they vested. If an employee believed in the future success of the company, they could wait to exercise their stock options until such time as they needed the money, for example, to buy a home.

When stock options have value but have not yet been exercised we call this a paper profit. To return to my original example, if an

engineer had 10,000 stock options at $15/share and Cendant's stock had been trading at $28/ share, that employee would have had a $130,000 "paper" profit. By this I mean that their profit is only on paper, it is not in their checking account.

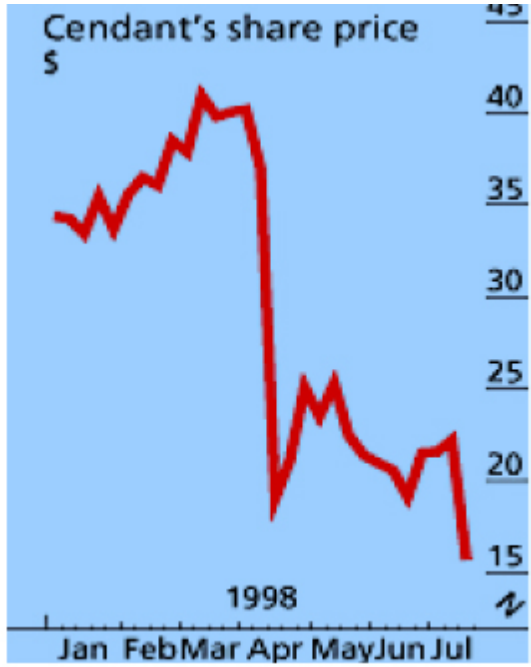
If an employee does not exercise their stock option on the day that it is vested, they are in effect gambling on the company's future stock price. Stocks rise, and stocks fall. Usually, stock prices track with the growth and profitability of the company they represent. So, if an employee believes in their company, and has no immediate need of cash, they tend to let their paper profit continue to climb from year to year.

Some banks will lend against paper profits. There were team members at Sierra who had millions of dollars in profit sitting in unexercised stock options. I don't know, but can easily imagine that some of them had borrowed against their paper profits to make down payments on homes.

Let's think for a minute about what would happen to our imaginary engineer who had a $130,000 paper profit at $28/share if the stock price dropped in half to $14/share. Options to acquire stock for $15 when the stock price is $14 are worthless. The engineer would have a loan to the bank, which had been secured by the paper profits on their stock options. The bank might wait a few days to see if the stock price would bump back up, but they would not wait for long. Sooner or later the bank is going to call and insist that the loan be repaid immediately, because their underlying security for the loan has been wiped out.

Cendant's stock price fell from approximately $42/share to $15/share over a ninety-day period.

Employees at Sierra were hired at different times and had different exercise prices on their stock options, so there may have been exceptions, but my educated guess is that most of the key Sierra employees saw their hardearned paper profits disappear overnight. There were employees who had been with Sierra for over a decade who went from paper millionaire to bankrupt in a day.



The Cendant stock price crash wiped out many at Sierra

That was only the beginning of the pain.

Sierra's employees had already been through hell. There had been the move to Seattle. The management changes. The shifting product strategies within the company. My leaving the company. The sense of exponential growth that had always reigned at Sierra not only seemed to have ended, but now there was a very real and justified feeling that their jobs were in danger.

Walter Forbes and the CUC management team denied the allegations.

> ***"… Caving in to mounting pressure from investors and his own top executives, Cendant Corp. Chairman Walter Forbes resigned Tuesday, saying the move was best for a company reeling from disclosures of accounting fraud at businesses he founded and led. In addition to Mr. Forbes, who will receive $47.5 million in severance pay, eight of 14 directors tied to the old CUC International Inc. resigned, effective immediately. …"***
>
> **Wall Street Journal, July 29, 1998**

Henry Silverman, Cendant's CEO, was disgusted and humiliated by the financial fraud. As you might imagine, he wanted nothing to do with

anything related to CUC. He wanted to sell off the various business units of CUC and forget that chapter of Cendant's history.

> ***"… The French media group Havas will be buying the Cendant Corporation's consumer software division for up to a billion dollars, Reuters news service reports.***
>
> ***Cendant's software division, which has been on the block for several months, includes North America's number one PC game publisher, Sierra On-Line, as well as Blizzard Entertainment, Davidson & Associates, and Knowledge Adventure.***
>
> ***Cendant has been trying to sell the division for several months. It has repeatedly insisted that it would only sell the group as a unit, not piecemeal, as happened with Virgin. Cendant has experienced financial difficulties after discovering accounting irregularities in its books.***
>
> ***Cendant was created by a merger of CUC International and HFS Inc. late last year. CUC purchased Sierra and Blizzard for approximately $2.2 billion in 1996, Reuters said.***
>
> ***Paris-based Havas is a media company, a subsidiary of Vivendi SA, a French utility and communications company. It is one of France's largest publishers of reference and educational software, through its multimedia group, Havas Interactive. Its core business is newspapers and magazines."***
>
> **CNN Money, November 1998**

Can you imagine what it was like trying to make computer games during all of this insanity? Although I was gone from Sierra, Roberta was still there working on *King's Quest: Mask of Eternity*, and my brother John was still there working on a spin off from TSN. Neither was having any fun. John was amongst those who had been wiped out financially by the crash. Roberta had stock options, and they too were now worthless. There was a far bigger storm brewing around Roberta I'll cover in the next chapter.

Some members of CUC's management team entered into plea deals wherein they pled guilty to the accounting fraud and agreed to testify against other members of management, including against Walter Forbes and Kirk Shelton.

> ***"… It took eight years and three trials, but on Halloween,***
>
> ***Walter Forbes, the top-ranking suspect in the Cendant scandal, finally was convicted of financial fraud…."***

Fortune Magazine, November 2006

Walter Forbes was sentenced to twelve years of prison and to pay a penalty of $3.2 billion. His wife divorced him immediately. Kirk Shelton was sentenced to ten years in prison.

Could I have known that these guys were crooks?

I often ask myself if I could have known that Walter Forbes was a crook.

Roberta never completely trusted the CUC management team and wasn't surprised when we were double-crossed. I chalked up the lying by Walter during our negotiations to him saying what he needed to say to get the deal done. I was able to get deals done, that others couldn't, because I had a good reputation and people felt they could trust me. That said, I was unusual and Walter lying in order to get a deal done was far more representative of life in the real world.

To this day, I am only 99% convinced that Walter was a crook. It remains unimaginable to me. This was someone I had known and respected, and who had been a good board member for over five years.

I do absolutely know that I was lied to about how the software business would be run, and from what I've read it appears that Davidson was also misled. But, there's a difference between telling someone what they want to hear during acquisition discussions and being a criminal who deserves to be in jail. Neither is acceptable, but the former I see as hardball business tactics and the latter as unforgivable.

During all the time that Walter was on Sierra's board, he never suggested anything that was not above board. He was an impressive Harvard graduate and a Wall Street hero. His company was audited quarterly by top auditors. He was known to many of the world's rich and famous. I never for a minute doubted the financial results of his company.

There's a tiny piece of me that will always wonder if Walter was railroaded.

I haven't read all the various court transcripts. Roberta says it is both my greatest strength and greatest weakness that I tend to only see the good in people. The CUC staff who testified against Walter avoided prison time by testifying. It took three trials before Walter was convicted.

Someone accused of a crime is entitled to a jury of their peers. I've reported for jury duty and watched who shows up. I haven't seen a lot of public company CEOs, or even CFOs (Chief Financial Officers.) My suspicion is that many of these people do their best to avoid jury duty. The alleged criminal conduct had to do with whether or not estimated subscription life spans and acquisition reserves were booked correctly. These are not subjects most jurors deal with on a daily basis. Few, if any, of the jurors who evaluated Walter had significant accounting knowledge or had ever run a public company. I'd also speculate that Walter would be the kind of stuffed-shirt rich guy that some jurors might be inclined to dislike from the start.

Bottom line: Was Walter guilty? Yes. I am 99% certain he was. He was convicted and went to jail for a very long time, plus the court asked that he repay billions of dollars in damages (which he will never be able to afford to do). Kirk Shelton was similarly sentenced. Walter and Kirk were both found guilty at trial. It's just not the Walter I knew or watched in action as a board member.

I wish I knew why Bob and Jan Davidson wanted to either get the software business away from CUC or resign. And, I wonder if the reason I was not put in charge of the software business was that I would have noticed CUC's fiddling with the numbers. One of the accusations, when Walter and Kirk were on trial, was that unnecessary write-offs were being taken in the software business to cover sins within CUC's core business. Bob or I certainly would have noticed something like that. Perhaps there is a deeper meaning to why CUC wanted one of their own running the software business? Or, perhaps it was simply that CUC believed they were smarter than Bob or I, and had planned from the beginning that Chris McLeod would take over the business?

Given all the misery that CUC's acquisition of Sierra and Davidson caused, all I can say for sure is that: The long jail sentences Walter and Kirk received for their crimes, and the damage that was done to them personally, it wasn't enough.

■

> ***Fun fact: I DID go to one day of what I think was Walter's trial when I happened to be in New York. I know I caught his eye. Best of all? I flipped him off. Fuck you, Wally. Loved it. Very satisfying. That finger was from all of us.***

Excerpt from an email I received from a former member of Sierra's management team, who shall remain nameless

(1998) King's Quest 8: Mask of Eternity

Chapter 40:

> ***"Let's go invent tomorrow rather than worrying about what happened yesterday."***
>
> **Steve Jobs, Apple Co-founder**

Once I left Sierra, my only window into the company I'd left behind was Roberta. It was through her, and her experiences with *King's Quest,* that I was able to know how the company was doing.

I don't know if her experience was the same as other Sierra designers, but I assume that elements of what she was experiencing were happening on all the products.

Roberta is passionate about the products she produces. To her, each product is like one of her own children. She puts her heart and soul into every game she builds.

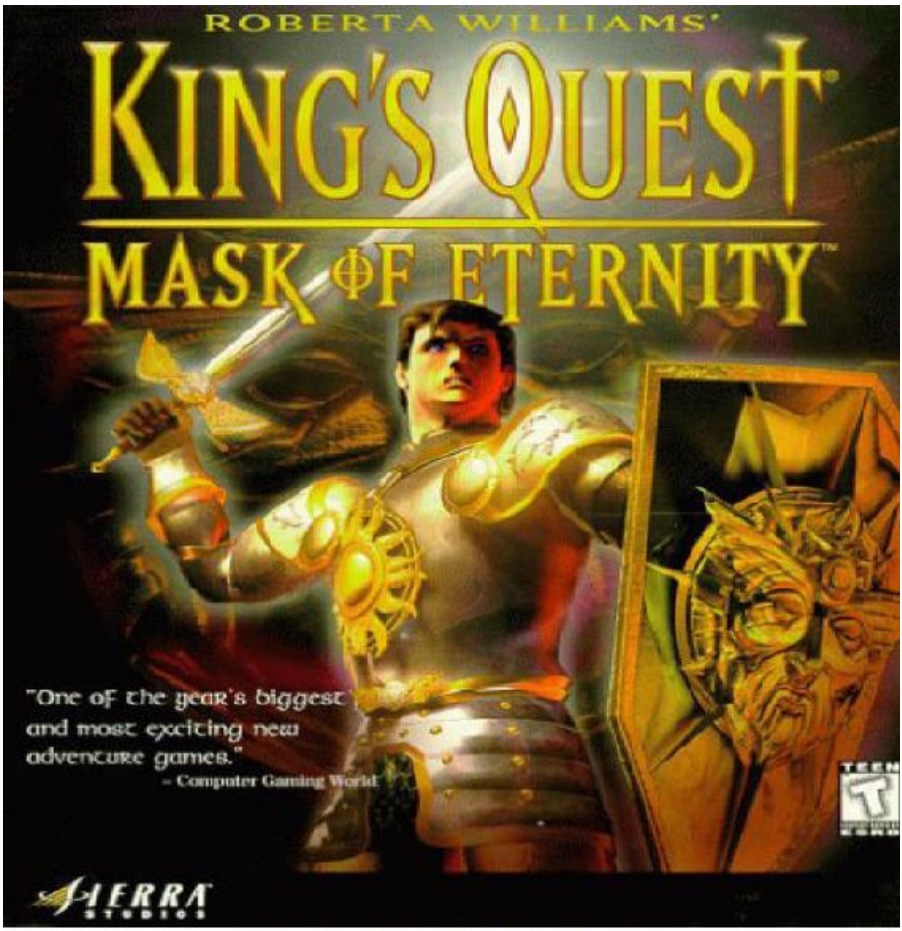
She starts each project by thinking about how she can do something that no one has done before. Her games were so amazingly successful because they had several attributes: A good story, interesting characters, and a vision of future technology. Roberta's goal was more than just to tell an interactive story in an entertaining way. She also saw it as her "job" to seek new user interfaces and to push the limits of what the hardware could provide.

Computer technology was evolving rapidly in those days. In the early days, if you bought a computer, then bought another two years later, you would see a huge difference in performance and capabilities. I still tend to get a new computer every couple of years, but I see very little difference in them. I recently purchased the latest and greatest iPad Pro to replace my threeyear-old iPad, thinking I'd be blown away. I can't tell the difference.

As Roberta thought about *King's Quest 8: Mask of Eternity* (I'll call it *KQ8*), she started the project as she always did, by doing months of research. She played competitor products. She studied user interfaces. She spoke to me about where I thought the industry and hardware was going. And, of course she thought about the game's plot and

characters.

As Roberta would have ideas, she would meet with the developers to discuss what she wanted. Roberta does have some technical background, and did work at one time as a software engineer, but was not nearly at the same level as Sierra's senior software engineers.



KQ8 was to be Roberta's last game for Sierra

Roberta's greatest strength comes from her ability to put herself into the mind of someone playing her game. As Roberta would think about *KQ8* she would imagine herself sitting in front of the computer playing the game and think about what she wanted to see.

When Roberta wanted to know if something was technically possible, she would consult with the engineers. When an engineer is asked to do something outside their comfort zone their first reaction is often to say, "It's impossible." Sierra's engineers were the best in the industry, and it took a lot to get them to say something was impossible, but

Roberta is very good at pushing the limits. Often, when Roberta would be told something was impossible, she would come to me and I would give her my opinion. Sometimes I'd agree with the developers, but often I wouldn't.

> ***My wife, Roberta, is working on the newest King's Quest game, Mask of Eternity. It's an enormous project and has the largest team we've ever assembled. Roberta's feeling is that adventure games are starting to "all look the same." She wants to try to completely redefine the genre. For about six months all she did was study games. She studied in detail every successful game on the market, even nonadventure games like Duke Nukem, Warcraft II, and Super Mario for the Ultra 64. She is well into Mask now and expects it to complete in time for Christmas '97. It is impossible to describe because there really aren't any games like it. When I asked Roberta how to describe it, she said, "Imagine a King's Quest game which takes place in a true 3D world, with true 3D lifelike characters. I borrowed Dynamix's flight simulator technology and pushed it in a new direction. The result is still King's Quest but it's much more immersive, and the 3D makes the game more interactive. It also changed how I design. The 3D allowed me create challenges for the player which never could have been done in a 2D environment, including many that use physics."***
>
> **- Ken Williams, quoted in InterAction Magazine, Fall 1996 issue**

Sometimes, impossible things can be done simply by being creative or thinking out of the box. Often, I would go back to the engineers for a brainstorming session. Almost always, there would be some compromise solution that would give the player the effect that Roberta was seeking in a way that was possible for the engineers. I was good at being able to translate Roberta's (and, our other designers') "wants" into language that the engineers could understand. I was also good at spurring the creativity of the engineers. I'd ask lots of "What if we approach it like this?" type questions. That said, for some projects I just wanted to use existing technology, and would encourage the designers NOT to try anything new. No one buying *Mickey's Space Adventure*, or *Hoyle's Card Games* was expecting to see anything revolutionary. But, *King's Quest* is in a whole different category. Each new *King's Quest* game is expected to set the pace for

the next generation of adventure games.

With me gone, Roberta had no leverage with the developers. I would have been happy to go in and meet with them, but my appearance at Sierra would have been controversial. It's also not clear that anyone would listen to me. When saying something people don't really want to hear, they tend to listen harder when they have no choice than when listening is optional. Taking people out of their comfort zone and into thinking hard about creative solutions is in this category.

Roberta is tough to rattle. She's a little like me. Some people throw temper tantrums or cry at the drop of a hat. Roberta can be made to cry, but it takes a lot. Suddenly finding that she was expected to build another bestselling *King's Quest* game, but that the developers didn't really have to do what she said, was something Roberta had never had to face. There were days where she would come home crying.

Being told that things she wanted were impossible, and not having me there to push on the engineers, was only part of the problem.

At Sierra, I was frequently accused of "playing favorites." My answer to these allegations was always the same. I absolutely played favorites and the rules were simple. Ship a best-selling game and you are my favorite person. Ship a dog and you should start looking for work. I really didn't care whether you were charming, or my buddy, or anything like that.

Sierra's shareholders (owners) were my employers, and my "job" was to ship hits while growing the company and earning a profit. I remember that Corey and Lori Cole (*Quest for Glory*) and I never seemed to love each other. I don't remember ever feuding, but I do remember that we were unlikely to hang out. That didn't stop them from being among my favorite designers and one of the first in line to receive my support when they asked for the budget to build a game. I was not at Sierra to make friends. First and foremost on my list of "favorites" were the designers who could consistently ship megahit products. Next up would have been the software engineers. And, then it would be the sales force, and then the marketing people, and then probably the artists and musicians, and then somewhere low on the totem pole might be the manufacturing team. That is not to say that every person working for Sierra wasn't important. Everyone was. But, if someone needed my help or for me to go out on a limb on their behalf, favoritism counted.

Because Sierra's top designers were at the top of the pyramid, it was

very important to see that they had whatever they needed to do their jobs (which was to ship hits!). When in doubt about if they were right or wrong, all I had to do was look at the sales figures. With enough zeros after a designer's sales numbers, they were always right.

There was even a pecking order within the designers. Product budgets flowed from sales projections. Proven designers, leveraging proven game series, would automatically get a much larger budget than a more junior designer who had yet to ship a hit. Designers saw this as a rigged system. Their question to me was always, "If I have a crap budget, how can I ship a great game? Give me Roberta's budget and I'll give you a much bigger selling game than she ever dreamed of."

I'm sure the film industry deals with this every day. Major stars (actors or directors) get bigger budgets than unproven talent. You have to start at the bottom and climb the ladder one rung at a time. I wish I could say that Roberta had the admiration of all the other designers, but it doesn't work like that. They were jealous of her budgets.

Now, let's talk about the development team assigned directly to a designer. A game like *King's Quest 8* would have had thirty to fifty people working on it for two or three years. Projects today have much larger teams and far more people, but this was over twenty years ago and the industry was smaller. At Sierra, the designers were the only ones who received a piece of the action (royalty) on the games we sold. A designer with a top selling game could make big money in addition to becoming famous.

Another benefit of being a hot designer at Sierra was that you had all the power on the projects.

Every member of every team wanted to be the next big game designer. They wanted the money and the fame. In their minds, all they needed to do was to demonstrate their creativity by putting their personal mark on the games. "A" and Triple-A players always think they are smarter than everyone else, and if you were lucky enough to work at Sierra you were in this category. Most people on Roberta's projects were convinced they could build a better game than she could.

And, of course, virtually everyone at Sierra had no doubt that they could run the company better than I could. And, in fact, if I were ever given the chance to make a movie, I'm 100% confident that I'd make a better movie than Steven Spielberg or George Lucas. If I were given a chance to work on one of their movies, I'd be thinking from the

beginning how I could somehow slip something into the movie that would show my potential. It's how winners think, even though it was my job to see that it didn't happen.

Anyway … I've now taken five paragraphs to say what I could have said in one sentence. Without someone ruling with a tight fist, each of those thirty to fifty people on a game will want to add something to the game, whether it fits the game or not. People were constantly coming to me with good ideas, but whether I would listen or not would depend on where they placed in the pecking order. An artist on one of Roberta's games, who wanted to add a new character to the game, had absolutely zero chance of getting my attention. They were welcome to pitch Roberta but ultimately, regardless of it was a good idea or not, if Roberta said "no" the answer was "no." And, if Roberta wanted something done, whether the team agreed or not, it didn't matter. It's her game and her career on the line.

Without me around to clamp down on Roberta's team, and enforce my rules about the designer calling all the shots, Roberta was having trouble controlling the team, and keeping the game consistent with her vision.

When I left Sierra, the management philosophy changed. I would never argue that there is only one way to skin a cat. I'm not always right, and what works for me might be a disaster for someone else. This book is full of my opinions. I absolutely guarantee you that some of my opinions in this book are bad ideas. The problem is that I don't know which ones.

My rule at Sierra was fairly simple. I believed that "the best predictor of future success is past success." If two people came to me, each with the idea of making a game about singing rocks, and one of those two people were a top selling designer and the other was someone who was extremely talented but had never successfully shipped a hit game. I'd rush to give the hot selling designer a contract and the other person would be lambasted for wasting my time, before being kicked from my office. My designers had more on the line than I did in choosing their products. Their career was on the line with every game they did. If a hot designer shipped a dog, I might give them a second chance, but possibly not. Their career might be over.

Rock Quest

Would you buy this game?

Al Lowe, author of many of hit games for Sierra

One would think that the new Sierra would show proper respect. Yes. One might think that...

I'll sidetrack for a minute and talk about what was happening with Al Lowe in the post-Ken era. Al Lowe was the designer of the *Leisure Suit Larry* series of products. As designers would finish products I would talk to them about what they wanted to do next. I always thought in terms of a designer's passion for the product. Specifically, I used the terminology "I'd look to see if their eyes lit up." You can tell when someone is passionate about something. If someone gives the impression they are so excited about something that they are waking up at night thinking about it. If they can talk for hours about why this is going to be the coolest game anyone ever played, then that's the game they should do. I might temper their enthusiasm by asking the marketing department for a sales projection, but if marketing thought they could sell a bunch of copies, and the designer was passionate about the project, it was time for a contract. After I left, I expected Al Lowe to start on another *Leisure Suit Larry* game, or a sequel to some

of his other promising first-in-a-series games, like *Torin's Passage*, or *Freddy Pharkus*. Instead of the new management team asking Al what he wanted to do, he was assigned a project he didn't believe in ("slap some characters into our existing Hoyle's game"). The project bombed and Al's reputation was tarnished. The next *Leisure Suit Larry* game was assigned to someone else who produced a mediocre game.

As a result of the acquisition, the rules of the game had changed and designers, who had been gods at Sierra, were faced with a new reality.

> ***Shortly after the game's release, Jensen was given her pink slip. "I was contracted to do specific games. After Gabriel Knight 3, they just didn't contract another game. There was no gold watch or anything like that. It was just: 'Bye.'"***
>
> **Jane Jenson, Designer of Gabriel KNight Series**

For Roberta, the problems with KQ8 just got worse and worse.

Roberta's team no longer perceived her as the final say on the game. Things started sneaking into the game that she didn't put there. Roberta would play parts of the game while it was in development and see things that needed changing. She would turn in thick stacks of change requests, only to have most of them ignored.

Couple all of this with a Sierra that was using a corporate headquarters in Torrance, built by Jan and Bob Davidson, and that Roberta was hearing rumors the people at corporate didn't like *King's Quest* and thought the product shouldn't exist. Too much black magic! Perhaps they had never watched the *Wizard of Oz*? Or, *Snow White*? Witches and wizards were not invented by Roberta.

In an interview about *KQ8*, Roberta said this:

> ***"The idea I sorta had in the back of my mind in developing this game, its not really heavy, or fleshed out strongly, it was the idea of exploring spirituality a little bit, I don't want to get heavy with this, but the idea of religions maybe, or lightness and darkness, chaos and order, and why people believe the way they do, and I sort of went back to primitive religions, and looking really at all religions, seeing what was some commonalities among them. and one of the things I found was the idea of a sun god as either the main god***

> ***or even the sacred God we all believe in today has even had a lot of sun symbology with him…and so I looked back at, like Mesopotamia had their big god, who was a sun god, and he was shown by his symbol was a golden disk with wings. If you look at our mask that we have here, he is golden, and gold has been symbolic of the sun, because it's an incorruptible material, it always shines, it never tarnishes. You can see he sort of has that sun look, the rays are coming out from him. The wings above his eyes came from the old Mesopotamian god, the winged disk…and also the beard comes from the idea of the lion and Leo, and lions have also been associated with God, and sun gods, and the sun in ancient religions, and is also a very powerful male symbol… and so I took those ideas and worked with a very good artist, working for Sierra, by the name of John Shroades, and he, I gave him all those ideas, and I gave him different masks he could look at, and the different symbology of various masks, ancient masks, and he came up with this, and I just think it's a very strong symbol. The mask is, I mean really… even the idea of the Mask of Eternity, is a term that means essentially…again it is a reference to sort of a god, or old religions of a god. It is sort of like everybody has their own version of what your god could be or what it could look like or stand for. The image or the mask is each person's version or vision of what it could be. Because you could never really see the face of God."***
>
> **Roberta Williams interview, 1995**

Perhaps it was these kinds of comments that alienated Davidson.

To be fair, Roberta never directly heard from anyone that there was opposition to her game. At the time, all Roberta knew is that things she didn't put into the game kept sneaking in. When she would try to point out inconsistencies between the game and her design, she was often ignored..

Another possible theory as to what may have been happening at the time is that Blizzard, a company owned by Davidson, had a major hit with a game called "*Diablo*" which was more of a fantasy role playing game (an RPG). In RPG games, combat plays a central role. With the enormous success of *Diablo*, there may have been pressure from above, and even from Sierra's team itself, to transition *KQ8* away from being

an adventure game and to becoming more of an RPG series. From Roberta's perspective though, there are attributes that players expect in a *King's Quest* game, in an adventure game, and in a "Roberta Williams" game. And, if you stray away from all of that, players will not be happy. They deserve to get what they think they were buying.

The end result was that: Roberta was expected to build a great game with no support from above or below her.

Here's an excerpt from an email I sent to Scott Lynch, who was running Sierra at the time:

> ***"Roberta's recent royalty statements have reflected essentially no sales of her products. Her last statement actually showed her as owing Sierra money. It is not apparent that the sales force is making an extra effort to push her products. In fact, there is evidence that her products have been deliberately "passed over." You yourself said, "Henry Silverman isn't sure he wants to sell Phantasmagoria." The Sierra I sold never would have sent an author of Roberta's stature a royalty statement showing a negative balance without the courtesy of an explanatory call, and more importantly, an explanation of what was being done about it. During our recent trip to France, major changes and cuts were made to the design of KQ8. These changes were not discussed with her prior to our trip. Nor was she consulted about the proposed changes. These changes were unilaterally made by Cendant without Roberta's permission or knowledge. Cendant has ignored on many occasions Roberta's approval rights with respect to promotional materials."***
>
> **Email from Ken Williams to Scott Lynch, Sept 14, 1998**

It was an ugly situation and Roberta wasn't holding many cards to make the situation any better.

She did have one major card in her hand though. She hadn't signed her contract. With all the change that had occurred, the ball had been dropped on issuing her a contract. In September of 1998 the game was well underway and Sierra had no contract giving them the right to release the game.

> ***"As Roberta mentioned in her previous email, Sierra is***

> ***not to ship KQ8 without her first signing a contract. Roberta has now been asking for a contract for over three years. In fact, almost two years ago, when the sale to CUC had just been concluded, Roberta complained to Chris McLeod about not having been issued a contract - to which he responded that he would "get right on it." There are major contract issues to be resolved, and it is starting to become obvious that this contract issue will delay shipment of the game."***

Email from Ken Williams to Scott Lynch, Sept 14, 1998

It had never occurred to anyone that Roberta might be difficult to sign to a contract. She had been around from the start of the company and it was just assumed she would sign. She had done over a dozen games. Of course she would sign. Oops. They should have thought of that before pissing her off.

Sierra could have told Roberta to stuff it and changed the game, and then taken her name off the front. They probably did discuss following that path. However, if you look at the date on the email above you will see that this was September of 1998, and the game was slated to be in stores for Christmas of 1998. It would be difficult to complete the game in time for Christmas with even minor changes and changing it enough to be able to claim it wasn't Roberta's design would have meant starting over completely.

It was a difficult time for everyone. Minor change was possible, but not major change. Roberta would have liked to see the company hold the game for another year and let her finish the game to her specifications. But that would have meant months more of development, and Roberta was unhappy. Going to work wasn't fun anymore. Roberta wanted away from Sierra. It wasn't that she didn't like the people she was working with. They were bright, talented, creative people. She wanted to produce games and didn't want to lose her career, but the Sierra she had worked for, for nearly twenty years, simply didn't exist anymore. This was a Sierra she didn't recognize.

I should probably mention that Roberta and I turned over all of our rights to everything associated with Sierra, to CUC, when we sold the company. The *King's Quest* brand and all of the characters were now the property of CUC. Roberta could not do a *King's Quest* game for anyone else. In fact, she couldn't work for anyone else under any circumstance. Both her and I signed non-competition agreements when we sold the company. For some number of years (five, I think)

we were prohibited contractually from working on any software that might compete with Sierra.

A compromise was finally reached. Sierra agreed to make some changes to the game (a very short list) and Roberta agreed to take some money and walk away. Sierra was allowed to put her name on the box, and most of the game inside was Roberta's, but not all.

KQ8 was a minor hit for Sierra, but not the hit everyone hoped for. Fingers can be pointed many different directions as to why the game didn't live up to expectations. I do not mean to imply that the game that shipped was bad. Everyone who worked on Roberta's games were superstars. But, the game lacked the singularity of vision that would normally come from a Sierra product. KQ8 was only partially a Roberta Williams creation.

Mark Seibert, who was the producer on the project, was asked about *KQ8* and gave this as his perspective:

> ***"The idea was to leverage the 3D engine Dynamix was building in Eugene. We were to use their engine and focus mostly on content. The problem was that the engine work ended up WAY behind schedule and that had disastrous results on our content development. To make a long story short, we finally took what they had and finished it ourselves. Unfortunately, by the time we did this the project was way behind schedule, way over budget, and we still didn't have an engine. We scrambled to complete the project and it unfortunately showed. It saddens me to have had the King's Quest series end with a product that suffered so.***
>
> ***Yes, the castle entered through the passageway behind the waterfall is Castle Daventry. The reason you don't see much of it is that it was damaged in the opening scene.***
>
> ***That is why you can only go so far in before you find blocked passageways. We wanted to originally let you explore the entire castle, find the royal family turned to stone, etc, etc, but as you know, things had to be cut and this was one of the many things that was easy to have a story reason why not to do it.***
>
> ***So yes, many things were cut - the leprechaun, the Red***

> ***Capped goblin, I think two complete levels, and then MANY major cutbacks on what is there. As you point out, a good example is the Swamp Witch. In the original script as it was developing, her part was much larger. But as we had to devote time to technical issues, the aesthetic issues and the amount of detail and breadth of content continued to get chopped. Remember, this was also right at the time the industry was saying that "Adventure gaming is dead." It was not easy to convince marketing to invest more to develop an adventure game. The end result was that we shipped what we could, and it was a pretty sad showing for such a great series."***
>
> **Mark Seibert, KQ8 Producer**

All I can say is that had I still been at Sierra, things would have been different and *KQ8* would have been a true "Roberta" game. It may not have shipped on time, on budget, or without some screaming and shouting along the way, but I do believe it would have been the hit people were hoping for..

KQ8 shipped for Christmas 1998. That was twenty-two years ago and Roberta has not worked on a game since.

And, as I indicated earlier in the chapter, it really was the end of an era. Whereas I had pushed the concept of strong designers and a designer-driven development philosophy, the new Sierra had different ideas. All of Sierra's designers went through their own versions of what Roberta experienced: Jane Jenson, Josh Mandel, Jim Walls, the MacNeils, Lorelei Shannon, and many others.

And of course, just as it seemed things couldn't get worse, they did!

Chapter 41: (1998) The End and Saying Goodbye

> ***"When you go to war as a boy, you have a great illusion of immortality. Other people get killed, not you… Then, when you are badly wounded the first time, you lose that illusion, and you know it can happen to you."***
>
> **Ernest Hemingway**

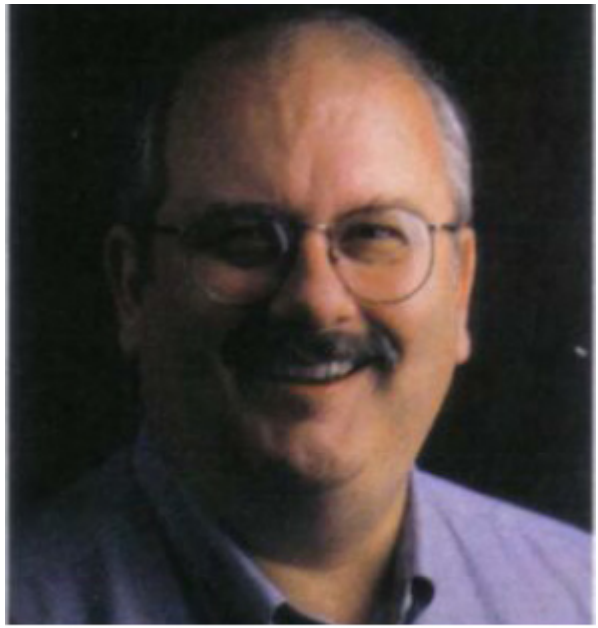
As you might imagine, morale at Sierra was not good. There had been the sale to CUC, followed by Sierra's senior management jumping ship (Mike Brochu, Jerry Bowerman, and myself), then the merger of CUC and HFS to form Cendant, followed by the discovery of fraud and the wipe-out of everyone's stock option profits.

With Mike, Jeff and I gone, Sierra seems to have lost direction for a year. Some of the divisions kept producing products but others seem to have fallen into confusion. Divisional and product budgets fell by the wayside. I would occasionally speak to people at Sierra and was horrified by what I heard.

Chris McLeod, who had taken over CUC Software, was trying to manage a large geographically dispersed Sierra that was out of control.

With 20/20 hindsight, I wish I had written this book prior to my departure, and perhaps it could have provided a road map to Chris McLeod. Reading it might have helped him understand how to manage the unusual business that he had just inherited. At a minimum, I wish I had gotten on a plane, flown to Torrance, and sat down with Chris to explain what was going to happen if he didn't quickly fill the void in leadership at Sierra.

In mid 1998, a new President was finally brought in to run Sierra, David Grenewetzki (nickname: Greno.) Greno had been around the business from the beginning and had a successful career working at several of Sierra's competitors. I didn't know him well, but liked that he knew the business and came across like a "real person", not a corporate "suit."



David Grenewetzki (aka Greno)

He had no idea what he was walking into!

Greno had no idea what he was walking into. Soon after being hired he received the word that Sierra was losing big money and it was his job to bring it back to profitability.

Worse yet, Greno joined the company while CUC Software, Sierra's parent company, was still part of Cendant. Henry Silverman, Cendant's CEO wanted rid of anything related to CUC. Henry was not interested in growing the software business. He wanted rid of the software business.

Greno had thought he was coming to Sierra to restore it to its former glory. Instead, his marching orders were to do whatever had to be done to restore the company to profitability as quickly as possible. Throughout CUC software, there was pressure from above to focus on taking whatever steps were needed to make the company attractive to potential acquirers. Whereas I had the luxury of being able to run Sierra based on a long-term plan, investing in brands and technologies that would pay dividends over time, Greno had come into a company that was in a mess and needed quick action. Greno's priority became to shutdown money losing efforts, consolidate operations and basically, fatten the cow to be sold.

Sierra was operated in a way that was expensive to maintain and defied conventional wisdom. I mentioned in the prior chapter that the

new Sierra management discarded the designers I had groomed and promoted so carefully through the years. That was only one piece of a much larger puzzle that was to be ripped apart piece by piece.

Sierra's product development was scattered to multiple locations around the globe. Some of this happened because of our acquisition strategy, but much of it was simply because I wanted it that way. I always had a fear of Sierra becoming a big bureaucratic company. My philosophy was that true creativity required small entrepreneurial groups. I also wanted to retain the leaders who had built these organizations and knew that if I tried to consolidate the groups I'd lose the people who built the products. A key part of the Sierra strategy was dependent on these small development groups, each with a clear product category focus. I loved that the culture at Dynamix felt different than at Sierra, and that the culture at Papyrus, our racing games division, as well as at all of the Sierra subsidiaries, was unique and led by an entrepreneur who was focused on leading their category. It was a critical piece of the puzzle. Our decentralized business cost more than running the company from one big office, and was more of a challenge to run, but, whoever said building hit games should be cheap or easy? We had a formula that put us on top of the industry. Why change the formula?

Another difference between Sierra and other software companies was our focus on treating our customers as though they were part of a large fan club. We knew that the person most likely to buy a Sierra product was someone that had bought our prior products. Once someone was "in the family" (on the Sierra mailing list) we thought nothing of spending several dollars a year to market directly to them. We thought in terms of the lifetime value of a customer.

Our InterAction magazine cost a fortune to print, but it gave us a proprietary way of speaking with our customers. None of our competitors had anything like it. I opposed being one of fifty ads in a magazine. It was critical that Sierra have a strong relationship with our customers. We took care of them and they took care of us.

Sierra's way of doing business made sense, but only if carefully controlled and ruled with a tight fist. However, with all the management transition that had occurred Sierra had lost its edge. The troops had been demotivated by all of the bad news. They had seen the value in their stock options destroyed, they had no faith in senior management at CUC software, there didn't seem to be a long-term strategy for Sierra. The sense of urgency that I always created seemed to be gone. No one was throwing a tantrum over late deliveries or

budgets exceeded. Dog products weren't being shot early in development.

A souvenir from better times. For years we tracked our sales of PC software against a competitor, Electronic Arts (EA). I told the staff that on the day we topped EA, I would issue EVERYONE in the company ten shares of Sierra stock. It wasn't fast or easy, but we did it! This is Roberta's actual stock certificate, which we keep framed at our home

In November of 1998, the entire CUC software business was sold to a French company called Havas, who had their own set of goals and priorities. All hope of preserving Sierra has it had been run was out the window. Greno needed to implement a strategy which would immediately get Sierra to profitability.

Here is an excerpt from an article I found on the Internet, which talks about Greno scaling back Sierra in order to enhance profitability:

> ***To combat the new turmoil which shook the company, the massive sprawl of Sierra's development groups, the lack of profitability due to the Cendant scandal, and the winds of change blowing through the computer game industry, Grenewetzki decided that in order to survive, Sierra had to tighten its belt. On February 22nd 1999, the company announced the closure of four of its studios: Yosemite Entertainment (the original headquarters of the company from its founding until 1994), and three subsidiary companies: Synergstic Software, Pyrotechnix, and Books that Work. Another subsidiary, Headgate Studios, was sold back to its original owner. Grenewetzki commented, saying, "The***

> ***entertainment market is changing and we need to maintain our leadership role in the category.***
>
> ***As we evolve into a mass market industry, we need to focus on the needs of consumers. We feel that a more focused software strategy and a stronger commitment to the internet and on-line gaming are key factors for our continued success.***
>
> ***The company also announced that production of its long running InterAction Magazine would be ceased after the Spring 1999 issue came to print. Grenewetzki explained this move, saying, "We started InterAction in an era when there wasn't much popular press devoted to computer software, but now our market is served by numerous specialty magazines that do a great job covering our products. It's time for us to get out of the publishing business and concentrate on our principal business of developing software.***

fandom.com
https://sierra.fandom.com/wiki/David_Grenewetzki

I do not fault Greno for any of this. He inherited a mess and did what he could. The series of events that led Sierra to its destruction started with the sale to CUC. I would not have allowed the company to be sold if I would have had any indication of the troubles that would follow. Really, the collapse of Sierra dates back to February of 1996 when CUC made promises that were not kept.

On Feb 22, 1999 Sierra On-line officially closed the doors in Oakhurst, Ca., the town where Sierra had its headquarters for over a decade, laying off 150 employees. This was just the beginning of the end. It didn't take long before everything that had once been Sierra was essentially gone.

This is the full letter that I sent to the Sierra Oakhurst employees when I heard what had happened.

> ***Dear former Sierra employees,***
>
> ***Roberta and I wish to express our deepest sympathies for the recent loss of your jobs. Hopefully, it will not be long before you resume work at Sierra in Seattle, or at***

some other company… in Oakhurst, or elsewhere. According to tradition, I'm supposed to say something uplifting and motivational to help everyone feel better. Unfortunately, I have failed at this task. There is really nothing good that can be said. This is a sad ending to Sierra's twenty-year operating history in Oakhurst, which at one time, represented over 550 Oakhurst-based employees. This story should have had a happy ending, but instead has had a long string of bad news concluding with the shutdown yesterday of all of Sierra's Oakhurst-based product development activities.

The problems began with the move of corporate to Seattle. The move to Seattle was mandated for several reasons, primarily due to the difficulty we were having recruiting senior management staff and software engineers. The relocation, although it was painful for Oakhurst, was instrumental in our tremendous growth from 1993 through 1996. I remain convinced that this relocation was the right decision for Sierra, and that we would not have prospered without it.

I can't say the same about either the sale of The ImagiNation Network (INN) in 1993, or the sale of Sierra itself in 1996. When Sierra started INN in 1991, it was a decade ahead of its time. After investing millions in INN, Sierra found that it did not have the financial resources to support INN's continued operations. In 1993, AT&T sought aggressively to acquire INN, promising to market the service and grow the company. Unfortunately, AT&T lost interest in INN and sold it to AOL, who to my great disappointment, shut INN down.

Sierra, as you know, was purchased by CUC International in 1996. Because CUC was offering to buy the company at a price roughly 50% higher than it was trading, the decision was out of management's hands. At the time of the purchase, we did believe that through consolidation with several Sierra competitors (Blizzard, Knowledge Adventure, Davidson and others), Sierra would become a much stronger company. We had good reason to believe that the acquisition would cause us to grow faster, not shrink. Unfortunately, CUC elected to transfer control of the company to Davidson, and shut

down several groups at Sierra. Later, as we all know, CUC was merged with another company, HFS, to form the Cendant corporation, with roughly 12,000 employees. A few months after this merger it was discovered that someone, or possibly some group of people, within the former CUC organization had been fraudulently preparing financial statements. The actions of this handful of people, who shall hopefully get their due, caused the plunge in Cendant's stock price, and wiped out the net worth of many HFS and CUC employees, including many of you, as well as much of my own. Cendant was sued by its shareholders, CUC's former management team was terminated and the decision was made to sell the software business. It should surprise no one that morale suffered through all of this anarchy, and although I have not seen Sierra's financials for several years, my assumption is that the recent consolidation of operations is driven by a quest for restored profitability and stability.

If this story were written as a book, the publisher might seek to classify it as "Fantasy," "Science Fiction" or even "Horror." It is much too outrageous to be true. But the bad news is that these events really did happen.

I console myself in the following way, and perhaps it will help you to cope with what has occurred.

Let's imagine that a stranger had walked up to any of us, on the street, in 1979, and said: "Would you like to move to one of the greatest cities on earth? While you are there, you can play a key role in creating a company that just about everyone will know and respect. Your grandchildren will be amazed when they learn that you once worked there. You will be the envy of your peers, because they will know that your team created the largest collection of hits ever to come from one company. There will even be years when you will have played a role in over half the products on the industry's top ten lists! You will be surrounded by incredibly intelligent, hard-working people, who will work 20+ hours per day when it takes it to get the job done. And, you will have more fun than you ever thought possible. There's only one catch though. This will only last for twenty years." Even knowing it wouldn't last forever I

> ***would have followed that stranger anywhere. I'm disappointed that it didn't last forever, but, a 20-year ride on the greatest roller coaster on earth beats the heck out of life in the slow lane any day. Life may never be the same, but it also isn't over, and we all have some great memories we shall never forget. Good luck, and I miss you all.***
>
> **Ken Williams, February 23, 1999**

A few days later, on February 25th, 1999 – Josh Mandel a producer at Sierra also wrote a Sierra Eulogy…

> ***On Monday, the last vestige of the original Sierra On-Line was laid to rest in Oakhurst, California. That branch, renamed "Yosemite Entertainment," was shuttered on Monday, February 22nd, putting most of its 125+ employees out of work.***
>
> ***You may not care for what Sierra has become since the days when dozens of unpretentious parser-driven graphic adventures flowed, seemingly effortlessly, out of Oakhurst. But there's no denying that, back then, Sierra On-Line was the life's blood of the adventure game industry.***
>
> ***Maybe the games were a little more rough-hewn than those of its competitors–not that there were many competitors at that point. But Sierra kept adventure gamers happy and fed, gamers who would've otherwise starved to death on the arguably more polished, but frustratingly infrequent, releases of Lucasfilm Games (as they were once called).***
>
> ***Sierra alone grew the industry in other ways, too. It was Ken Williams who, almost single-handedly, created the market for PC sound hardware by vigorously educating the public to the AdLib card and, shortly thereafter, the breathtaking Roland MT-32. He supported those cards in style while other publishers wanted nothing to do with them. It was Corey and Lori Cole who invented the first true hybrid, replayable adventure/RPG. It was Christy Marx's lump-in-the-throat ending to Conquest of Camelot that reminded us that not every computer game had to have a group hug at the end. It was Mark Crowe***

and Scott Murphy who made us want to kill off our onscreen alter ego, to see what inventive, gooey death had been anticipated for us. It was Roberta, before anyone else, who invented strong female heroines. It was Al Lowe, bringing up the rear (literally and figuratively) by creating Leisure Suit Larry, the most popular, pirated game of its decade. We knew this because we sold far more hint books than we sold of the actual software.

It was the Sierra News Magazine (later InterAction) that let us feel like we knew the people making these games, that they were a family-run business, staffed by people who lived an isolated life, surrounding by idyllic, ageless beauty and creating games that were a labor of love. That was, at least for awhile, an accurate picture. This was a family we wanted to feel a part of, for good reason, and people came from thousands of miles away to take a tour and see how real it all was.

But what makes the closure of Sierra On-Line's Oakhurst facility (recently renamed "Yosemite Entertainment") a bigger, sadder event than most game company closures– including the far larger decimation of 500 Broderbund employees–is that this was not just a game company, this was a community.

Oakhurst is barely a dust mite on the mattress of America. It existed, for a long time, as a miniscule stopover for tourists on their way to and from Yosemite National Park. As recently as 1991, the mountain-bound town had not a single stoplight, just one grocery store, a single-screen movie theater, and one video rental store. There is no broadcast television (the mountains block it all). The nearest larger town is Fresno, 45 miles distant over the mountains. In severe snowstorms, the town is virtually cut off from the world. And the cable company there is still so provincial, so disdainful of outside influence, that there is no MTV offered, no Nickelodeon (or any MTV-owned stations), nothing to disturb the elderly farmer-types have who been the chief population since the Gold Rush days.

Sierra was the second-largest employer in town (the phone company being the largest). Thus, the people of

Sierra did not simply work together as they do in most of the country. These people are families, roommates, and neighbors. The person who works in the cubicle next to you may be your girl or boyfriend, your spouse, your landlord. He/she may well have been in your wedding party, and may have driven you 45 miles to the hospital when you were sick (how else could you have gotten there?). Secrets never stayed secret for long; divorces, trysts, and personal traumas all were public knowledge. People at Sierra weren't just working together, they were living together. Now their lease has expired and the family will all at once be scattered.

The town has grown somewhat. The theater is now a multiplex, but Rusty still gives you his unabashed opinion of each film on the recording when you call for the movie times. There are several stoplights in town now. There are several supermarkets, more hotels, and the infamous "Talking Bear" has undergone a recent facelift. But the town still revolves around Sierra and tourism. And tourism may not be enough to support the town, at least in the winters when much of Yosemite ("the park" in local vernacular) is closed.

With Yosemite Entertainment gone, not only are more than a hundred people out of work (some of whom are fabulously talented), but an entire community has been wiped out with the stroke of a pen. It will be morbidly interesting to see whether or not Oakhurst's economy can bear up under the mass exodus that will result.

Some may argue that Sierra lives on in Bellevue, Washington, where Al Lowe, Jane Jensen, Roberta Williams, Mark Seibert, and a handful of Oakhurst refugees still labor diligently on games side-by-side with scores of newer talent. But games like KQ:MoE and LSL7 have a distinctly different flavor than the seat-of-the-pants, funny, touching adventures that Oakhurst once produced. They are commercial.

Invariably, in a company that grows the way Sierra grew, innovation gives way to emulation. Whereas Sierra's management once strove to make it solid, profitable, and yet fun, they now strive to dominate other companies, force annual growth in the double

> ***digits, and (like so many other companies) cut jobs mercilessly to improve the bottom line and thrill the stockholders. Yet the Ghost of Sierra Past still walked the halls in Oakhurst. The rooms were adorned with the art of glories past, the artists and programmers who helped to create those glories were, in fair measure, still living and working there. Now that spirit has been exorcised by scrubbed, glad-handing executives who don't know, or don't care, what those artists and programmers could do when they were motivated and well-managed.***
>
> ***People, living and working closely together in the pursuit of shared joy, were what made Sierra games great. Thank you, Ken, for creating something utterly unique, something warm, fun and beautiful. Damn you, Ken, for allowing others to tear it down.***
>
> ***Whether you were a Sierra fan or not, we are all diminished by the loss of history, talent, and continuity within the gaming industry. Rest in peace, Sierra On-Line.***

Josh Mandel, Game Designer

I was not around when Sierra shut down and I deliberately avoided reading any press about what was happening. I hoped that things were stabilizing but wasn't very optimistic.

In the spring of 2004, in a series of cost cutting measures, Havas/ Vivendi closed down Papyrus and Impressions, Sierra's last two remaining internal studios.

Then, in June 2004, the lights went off at Bellevue for the last time as that studio, too, was shutdown. All of Sierra's functions were consolidated into Vivendi or given to Vivendi's other studios. In total, 350 people lost their jobs.

Sierra was at most a bare bones skeleton of the company I'd left behind in 1997. It was disheartening, but not utterly surprising to see.

The company continued for a while longer, in name only, run via a team of brand managers from Vivendi's offices in Los Angeles as a publishing label for Vivendi Games - until Activision and Vivendi merged in 2008.

I am not sure who holds the rights to the old Sierra games. The rights have been scattered to several companies, and other than *King's Quest* and *Leisure-Suit Larry,* I'm not sure there is much interest in any of the old series.

In 2015, a new version of *King's Quest* was released. Roberta and I weren't involved, but were able to see a glimpse of it prior to release. We thought it looked amazing but never heard if it was a hit. We hope so. It would be nice to see some piece of Sierra continue.

The Sierra.com domain, the domain name that had existed from the earliest days of the internet, was sold by Activision in 2019 to a company outside the games business.

It was a sad end to what was once an amazing fairy tale.

Epilogue

Chapter 42:

> ***To me, retirement means doing what you have fun doing.***
>
> **Dick Van Dyke, Actor**

As a part of selling Sierra, Roberta and I were precluded from doing anything in the computer game business, other than with CUC, for a period of five years. By the time the five years were up we had moved on to other ventures.

Roberta and I had thought over the years about someday having a home in Mexico. Within months of selling Sierra we purchased land in Cabo San Lucas and started construction on a home.

We also placed an order for a new boat, seeking one that had the seaworthiness and range to cross oceans. At the time we bought the boat, we didn't actually think we would ever cross an ocean, or even venture more than a few miles from shore. Instead, we wanted the seaworthiness as protection against any sudden storms we might encounter while cruising the protected inside passage which stretches from Seattle to Alaska.

Our house in Mexico was purchased at a time when Cabo was still lacking in many modern amenities. It took a couple years to build the house. When we moved into the house, in 1998, our only option was for satellite internet, grocery stores were primitive (to put it politely), there were no movie theaters, etc. If someone in the neighborhood found a reasonably edible head of lettuce, it would hit the neighborhood grapevine and we would all rush to the market in hopes there were more. It was a very different life, but we loved it. We had our home there until recently, watching as Cabo grew from a sleepy fishing village into a major tourist destination, with modern hotels and shopping options to rival most any American city.

Roberta, who always has an interest in adventure, somehow talked me into taking our boat places I never could have imagined. Over the years we took our little boat across the Atlantic Ocean, the Bering Sea and through the Mediterranean sea. We took the boat to over twenty-five countries including Japan, Turkey, Malta, Spain, Taiwan, Costa

Rica and many more. Along the way I earned both a US and European Captain's license, and wrote a boating blog, plus three books about our travels. We somehow achieved a second fifteen minutes of fame as world cruisers and explorers.

Roberta designed our home in Mexico, co-captained the boat, polished her cooking skills, studied Spanish until she became fluent, and has spent years researching a book about the Irish famine and immigration to America (www.robertasbook.com)

Our two sons are each in the computer business. The oldest, DJ, is a semi-famous chef who divides his time between the US and Mexico. He is best known for his cookbooks, which he sells on his website: www.djfoodie.com. Check it out! Our younger son, Chris worked as a software engineer in Japan for several years before taking a job with Amazon in Seattle, where he stayed for five years, and is now at Intuit as a software engineer in San Diego CA. Chris was recently married at the height of the Pandemic in a totally bizarre ceremony. After months of trying to get a wedding license, the county of Riverside CA finally allowed him and Anna his fiancée to be married, at the ticket window of a movie theater. Roberta and I were forced to watch the ceremony from a car parked a hundred yards away. Why is it that nothing in our family is never normal? We are very proud of both our sons.

And yes, we will always be sad when we think about how Sierra ended, but we will always remember how special it was to create something so exciting and to have been surrounded by so many wonderful team members and fans!

Ken Williams, August 23, 2020

Why did I Write This Book?

Chapter 43:

> ***"What if a child dreams of becoming something other than what society had intended? What if a child aspires to something greater?"***
>
> **Jor El (Superman's biological father)**

Roberta and I were at Starbucks recently and had something strange occur.

We placed our standard order; a venti plain old boring black coffee for me, and a grande soy sugar-free vanilla lattee for Roberta. We also asked for pup-acinos for our two little furry friends.

When we reached the drive-up window, our drinks were passed to us and I brought up the Starbucks app on my iPhone to pay. The lady in the window said, "No need to pay. Your drinks have already been paid for." I was confused. Was someone in line a Sierra fan and spotted us? Were they readers of Roberta's and my boat blog? Did we have free drinks coming? Was I the lucky 100th person in line? I stuttered out my confusion to the lady at the window.

Back came the response, "The car ahead of you bought your drinks." Now, it was starting to make sense. It had to have been someone we know, or a Sierra fan. I hadn't recognized or paid attention to the car

ahead of us. “Did they give their name?,” I asked.

“No. They just said they were paying it forward.”

Huh? What did they mean? She said someone earlier in the day had bought a drink for the person behind them, explaining that “they were paying it forward,” and suddenly everyone started doing it. I asked what would have happened if I’d been ordering a hundred coffees to take to the office? She said they never asked.

This happened towards the beginning of the pandemic, which I hope is old news by the time you read this. It’s why I was in the drive-up line. Going inside was forbidden. We were just happy the drive-up had reopened.

Anyway, I of course handed her back my phone and said, “Pay it forward” throwing a couple bucks into her tip jar as I did it. It was a spectacular way to start the day.

My assumption is that whoever started the tradition on that day had something good happening in their lives. There was something that caused them to feel that they wanted to give back to others.

The honest truth is that I’ve thought about writing this book ever since the company collapsed, but always had a good excuse not to do so. For a variety of reasons, I really didn’t want to write this book. I have absolutely no interest in making a dollar off of selling books. I also can’t say that I spend a lot of time thinking about Sierra. All of the events in this book happened somewhere between twenty-five and forty years ago. Many of the memories faded long ago. I do wish I had a time machine and could relive those days, but writing about them several decades after they occurred? Why?

Certainly, one reason for writing the book is that I know there are both fans and ex-employees who are wondering, “What happened?” Hopefully, they’ll read this book and that question will be answered.

Another reason the book finally got written was that the pandemic created a hole in my schedule. I don’t sit still easily. Roberta and I had long-made plans for this summer (2020), but the pandemic changed our plans, as it did for all of you. I needed a project and Roberta said, “Why don’t you write a book?”

And the final kicker that caused me to write this book was that I felt I had an obligation to “pay it forward.” The sections in this book that outline my opinions on writing software, or that provide ideas that

might inspire people to write their own games, or where I share my ideas on how someone might break into the industry, or where I mention that I started with nothing, did not go to college, and yet somehow succeeded: Those are the biggest reason this book exists. They may be the most boring parts of the book, and my advice may or may not always be right, but if what I've said helps a few people, it will have been worthwhile. When I thought about the opportunity to "pay it back" to the employees and fans, and "pay it forward" to a new generation of game developers and others, it was time to start writing.

It turned out to be fun and brought back a lot of great memories!

Thank you for taking the time. I hope you enjoyed the book.

Appendix A: Other Books about Sierra

The Sierra Adventure, by Shawn Mills

> ***The Sierra Adventure tells the story of legendary computer game company Sierra On-Line, developers of industry defining titles such as King's Quest, Quest for Glory, and Leisure Suit Larry. Told through the words of the people who worked there, designers, artists, programmers, animators, musicians, marketting, and management, this is the story told in the words of those people who worked there.***

Available at www.lulu.com

The Art of Point-and-Click Adventure Games, by Bitmap Books

> ***Point-and-Click Adventure Games is a sumptuous 500 page, hardback coffee-table book packed with the very best pixel art and classic scenes from the most defining games of this genre.In total, The Art of Point-and-Click Adventure Games also contains over 50 extensive and exclusive interviews with the key developers, designers and artists behind some of the most beloved games and characters in the history of the medium such as Al Lowe, Éric Chahi, Ron Gilbert and Tim Schafer.***
>
> ***The Art of Point-and-Click Adventure Games starts with a foreword by Gary Whitta (PC Gamer magazine/Rogue One: A Star Wars Story) and is followed by a detailed written history of the Point-and-Click genre.***
>
> ***Just some of the classic titles featured are King's Quest, Myst, Toonstruck, Discworld, Blade Runner, Gabriel Knight, Flight of the Amazon Queen, Simon the Sorcerer and of course other classics, such as The Secret of Monkey Island, The Dig, Maniac Mansion and Full Throttle. All of the most famous and iconic point-and-click adventures are covered, as well as some lesser-***

> ***known games and home-brew efforts.***

Available at www.bitmapbooks.co.uk

Sierra Collector's Quest, by Stephen Emond

> ***Sierra Collector's Quest is a series of meticulously detailed guides chronicling the history and individual releases of Sierra On-Line, one of the most prolific game developers and publishers from 1980 to 2008. This series encapsulates more than 40 years of gaming history across the entire Sierra Multiverse.***
>
> ***Each of the four volumes in the collection weigh in at roughly 750 pages. Together they provide a complete historical record of every game, book, and collectible that relate to Sierra's long and storied legacy. Series overviews explore what made each of the games so memorable, while developer profiles examine everything from historic origins to spiritual successors.***
>
> ***'Volume I' features some of Sierra's most iconic adventure series: Hi-Res Adventures, King's Quest, Space Quest, Police Quest, and Leisure Suit Larry. Over the course of the books, all of Sierra's oft neglected subsidiaries are covered as well. In total, more than 28,000 items are documented, spanning 60 countries around the world.***

Available at www.falcondesigns.ca (Spring 2021)

Timeline
Appendix B:

1979

- Roberta gives Ken an Apple][computer for Christmas

1980

- Hi-Res Adventure 1 - Mystery House (May)
- Hi-Res Adventure 2 - Wizard and the Princess
- Hi-Res Adventure 0 - Mission: Asteroid (Dec)
- Hi-Res Football (Dec)
- Paddle Graphics (Jul)
- Skeetshoot (May)
- Tablet Graphics (Jul)
- Trapshoot (May)
- Roberta and Ken move to Coarsegold CA

1981

- Crossfire (Nov)
- Expediter][
- General Manager, The (Nov)
- Gobbler
- Hi-Res Adventure 3 - Cranston Manor
- Hi-Res Adventure 4 - Ulysses and the Golden Fleece
- Hi-Res Cribbage
- Hi-Res Soccer
- Jaw Breaker (Nov)
- LISA
- Memory Management System][
- Missile Defense
- Next Step in Atari Graphics, The (Jun)
- Pegasus][
- Sabotage (Oct)
- Softporn Adventure
- Speed/ASM

- Superscribe][(aka: Superscript) (Feb)
- Threshold
- Thrilogy (originally 1980 by Selected Software)

1982

- Artist, The (Jun)
- Cannonball Blitz (Mar)
- Dic-tio-nary, The (Jan)
- EPF IV
- Frogger (Dec)
- Golf Challenge
- Hi-Res Adventure 5 - Time Zone (Mar)
- Jawbreaker II
- Laf Pak
- Lunar Leeper
- Marauder
- Mouskattack (Jan)
- Pest Patrol (Nov)
- Screenwriter][(Jun)
- Ultima II - The Revenge of the Enchantress (Nov)
- Wall War (Nov)
- Atari vs Sierra lawsuit
- Venture Capital – Round 1
- Name change to Sierra On-Line

1983

- Apple Cider Spider
- Aquatron
- BC's Quest for Tires (Nov)
- Bop-A-Bet (originally 1982 by Sunnyside Soft)
- Creepy Corridors
- Dragon's Keep (originally 1982 by Sunnyside Soft)
- Flip 'n Match
- Hi-Res Adventure 6 - The Dark Crystal
- HomeWord (Nov)
- Learning with Leeper
- Mr. Cool
- Oil's Well

- Sammy Lightfoot
- Troll's Tale
- Ultima I - The Original (originally 1981 by California Pacific)
- Ultima - Escape from Mt. Drash
- Venture Capital Round 2
- Videogame industry Crash!

1984

- BC II - Grog's Revenge
- Donald Duck's Playground
- Gelfling Adventure
- Homeword Filer (Oct)
- Homeword Speller (Apr)
- King's Quest - Quest for the Crown (Aug)
- Learning with Fuzzywomp
- Mickey's Space Adventure
- Mine Shaft (Jan)
- Sierra Championship Boxing (Apr)
- Story Maker
- Winnie the Pooh in the Hundred Acre Wood
- Wizard of Id's WizMath, The
- Wizard of Id's WizType, The
- IBM Launches PCJr

1985

- Black Cauldron, The (Dec)
- King's Quest II - Romancing the Throne (May)
- OneWrite - Cash Disbursements
- Stunt Flyer

1986

- Homeword Plus (Jan)
- King's Quest III - To Heir is Human (Oct)
- OneWrite - Accounts Receivable
- OneWrite - General Ledger
- Smart Money
- Space Quest - The Sarien Encounter (Oct)
- Wrath of Denethenor

1987

- 3D Helicopter Simulator (Sep)
- Leisure Suit Larry - In the Land of the Lounge Lizards (Jun)
- Mixed-Up Mother Goose
- Police Quest - In Pursuit of the Death Angel
- Space Quest II - Vohaul's Revenge
- Thexder (Sep)

1988

- Gold Rush! (Dec)
- Homeword II
- King's Quest IV - The Perils of Rosella (Sep)
- Leisure Suit Larry Goes Looking for Love (In Several Wrong Places) (Oct)
- Manhunter - New York
- Police Quest 2 - The Vengeance (Nov)
- Sierra becomes a public company

1989

- Hoyle Official Book of Games - Volume 1
- Laura Bow - The Colonel's Bequest (Oct)
- Manhunter 2 - San Francisco
- Quest for Glory I - So You Want to Be a Hero (aka: Hero's Quest) (Oct)
- Leisure Suit Larry 3 - Passionate Patti in Pursuit of the Pulsating Pectorals (Nov)
- Sierra's On-Line - Modem Software (Jul)
- Silpheed (Apr)
- Space Quest III - The Pirates of Pestulon (Mar)

1990

- A-10 Tank Killer (originally 1989 by Dynamix) (Mar)
- Codename: Iceman (Mar)
- Conquests of Camelot - The Search for the Grail (Mar)
- David Wolf - Secret Agent (originally 1989 by Dynamix)
- Fire Hawk - Thexder: The Second Contact
- Jones in the Fast Lane (Nov)
- Hoyle Official Book of Games - Volume 2: Solitaire
- King's Quest I - Quest for the Crown (Remake) (Sep)

- King's Quest V - Absence Makes the Heart Go Yonder (Nov)
- Oil's Well (Remake)
- Quest for Glory II - Trial by Fire (Nov)
- Rise of the Dragon
- Sorcerian (Mar)
- Stellar 7 (Oct)
- Zeliard (Dec)
- Union organizing (Date uncertain)
- Dynamix acquired
- Launched The Sierra Network

1991

- Adventures of Willy Beamish, The (Nov)
- Castle of Dr. Brain (Nov)
- Conquests of the Longbow - The Legend of Robin Hood (Dec)
- Heart of China
- Hoyle Official Book of Games - Volume 3: Great Board Games
- Laffer Utilities, The
- Leisure Suit Larry 1 - In the Land of the Lounge Lizards (Remake) (Jul)
- Leisure Suit Larry 5 - Passionate Patti Does a Little Undercover Work (Sep)
- Mixed-Up Fairy Tales (Nov)
- Mixed-Up Mother Goose (Remake)
- Nova 9 - The Return of Gir Draxon (Nov)
- Police Quest 3 - The Kindred (Oct)
- Red Baron (Feb)
- Sierra Network, The - Start-Up Kit (Nov)
- Space Quest I - The Sarien Encounter (Remake) (Aug)
- Space Quest IV - Roger Wilco and the Time Rippers (Mar)
- Announced merger with Broderbund

1992

- Aces of the Pacific (May)
- Aces of the Pacific - WWII 1946 (Nov)
- Crazy Nick's Software Picks - King Graham's Board Game Challenge (Jun)
- Crazy Nick's Software Picks - Leisure Suit Larry's Casino (Jun)
- Crazy Nick's Software Picks - Parlor Games with Laura Bow (Jun)

- Crazy Nick's Software Picks - Robin Hood's Games of Skill & Chance (Jun)
- Crazy Nick's Software Picks - Roger Wilco's Spaced Out Game Pack (Jun)
- EcoQuest - The Search for Cetus (Jan)
- Front Page Sports - Football (Dec)
- Gobliiins (originally 1991 by Coktel Vision) (Nov)
- Incredible Machine, The (Nov)
- Island of Dr. Brain, The
- King's Quest VI - Heir Today, Gone Tomorrow (Oct)
- Laura Bow - The Dagger of Amon Ra (Jul)
- Police Quest 1 - In Pursuit of the Death Angel (Remake) (Sep)
- Red Baron - Mission Builder (Sep)
- Quarky & Quaysoo's Turbo Science (Dec)
- Quest for Glory I - So You Want to Be a Hero (Remake) (Jul)
- Quest for Glory III - Wages of War (Sep)
- Screen Antics - The Adventures of Johnny Castaway
- Shadow of Yserbius, The (Oct)
- Take-A-Break Crosswords (Sep)
- Sierra acquires Brightstar
- Sierra partners with AT&T

1993

- Aces over Europe (Nov)
- Adi - Comprehensive Learning System 2 (French Series)
- A.J.'s World of Discovery (originally 1991 by Coktel Vision)
- A.J.'s World of Language (originally 1992 by Coktel Vision)
- A.J.'s World of Math (originally 1992 by Coktel Vision)
- Berlitz for Business - Japanese
- Betrayal at Krondor (Raymond E. Feist)
- EcoQuest - Lost Secret of the Rainforest (Feb)
- Even More Incredible Machine, The (Sep)
- Gabriel Knight - Sins of the Fathers (Dec)
- Gobliins 2 - The Prince Buffoon (originally 1992 by Coktel Vision)
- Fates of Twinion, The
- Freddy Pharkas - Frontier Pharmacist (Apr)
- Front Page Sports - Football Pro (Sep)

- Hoyle Classic Card Games (Jul)
- Inca (originally 1992 by Coktel Vision)
- Leisure Suit Larry 6 - Shape Up or Slip Out (Nov)
- Lost in Time
- Mega Math (Dec)
- Pepper's Adventures in Time (Feb)
- Playboy Electronic Datebook, The
- Police Quest - Open Season (Dec)
- Prophecy, The (originally 1992 by Coktel Vision)
- Quest for Glory - Shadows of Darkness (Dec)
- Sid & Al's Incredible Toons (Nov)
- Slater & Charlie Go Camping (May)
- Space Quest V - Roger Wilco in the Next Mutation (Feb)
- Stellar 7 - Draxon's Revenge
- Stellar Fire
- Talking Tutors - Advanced Spelling Tricks (aka: Spelling Blizzard) (Nov)
- Talking Tutors - Alphabet Blocks (May)
- Talking Tutors - Early Math (Nov)
- Talking Tutors - Kid's Typing (Nov)
- Talking Tutors - Ready, Set, Read with Bananas and Jack (aka: Beginning Reading) (May)
- Talking Tutors - Yobi's Magic Spelling Tricks (aka: Basic Spelling Tricks / Spelling Jungle) (May)
- Take-A-Break Crosswords Deluxe (Oct)
- Take-A-Break Pinball
- Sierra acquires Coktel Vision
- Jerry Bowerman hired

1994

- Aces of the Deep
- Adi - Comprehensive Learning System 2 (German Series)
- Alien Legacy (May)
- Battle Bugs
- Berlitz Live! Japanese
- Berlitz Live! Spanish
- E.S.S Mega (originally 1991 by Coktel Vision)
- Fascination (originally 1991 by Coktel Vision)

- Front Page Sports - Baseball Pro ’94 (Sep)
- Front Page Sports - Baseball Pro ’94: Legends and Stadiums (Oct)
- Front Page Sports - Football Pro ’95 (Oct)
- Goblins Quest 3 (originally 1993 by Coktel Vision)
- Inca II (originally 1993 by Coktel Vision)
- Incredible Machine 2, The (Sep)
- Incredible Toon Machine, The (Dec)
- King’s Quest VII - The Princeless Bride (Nov)
- Lode Runner - The Legend Returns
- MetalTech - Battledrome
- MetalTech – EarthSiege (Nov)
- MetalTech - EarthSiege: Speech Pack (Nov)
- Outpost (Jul)
- Playtoons 1 - Uncle Archibald
- Playtoons 2 - Spirou: The Case of the Counterfeit Collaborator
- Playtoons 3 - The Secret of the Castle
- Sierra Soccer - World Championship Edition

1995

- 3-D Ultra Pinball (Sep)
- Aces of the Deep - Expansion Disk
- Adi - Comprehensive Learning System 2 (American Series)
- Adi - Comprehensive Learning System 2 (British Series)
- Adi - Comprehensive Learning System 2 (Spanish Series)
- Air Bucks (originally 1993 by Impressions)
- Blue and the Gray, The (originally 1993 by Impressions)
- Breach 3
- Caesar (originally 1992 by Impressions)
- Caesar II (Sep)
- Casino DeLuxe
- Classics Fun Pack for Windows (originally 1993 by Impressions)
- Command - Aces of the Deep
- Conqueror A.D. 1086
- Conquest of Japan (originally 1992 by Impressions)
- Crime City (originally 1992 by Impressions)
- D-Day - The Beginning of the End (originally 1994 by Impressions)
- Detroit (originally 1994 by Impressions)
- Fast Attack

- Front Lines (originally 1994 by Impressions)
- Front Page Sports - Football Pro ’96 Season
- Gabriel Knight 2 - The Beast Within (Dec)
- Global Domination (originally 1993 by Impressions)
- High Seas Trader
- Hoyle Classic Games (Nov)
- Incredible Machine Version 3.0, The (Oct)
- IndyCar Racing (originally 1993 by Papyrus)
- IndyCar Racing II (aka: CART Racing)
- LandDesigner - Multimedia for Gardens
- Last Dynasty, The
- Lode Runner On-Line - The Mad Monks’ Revenge
- Lords of the Realm (originally 1994 by Impressions)
- Lost Mind of Dr. Brain, The (Mar)
- MasterCook II (originally 1995 by Arion)
- MasterCook - Cooking Light 3.0
- MasterCook - Deluxe 3.0
- MetalTech - Earthsiege: Expansion Pack
- Mixed-Up Mother Goose - Deluxe (May)
- NASCAR Racing (originally 1994 by Papyrus)
- Phantasmagoria (Aug)
- Police Quest - SWAT (Sep)
- Powerhouse
- Playtoons 4 - Spirou: The Mandarin Prince
- Playtoons 5 - The Stone of Wakan
- Print Artist 3.0 (aka: Print Artist Classic) (Jul)
- Ruins of Cawdor, The
- Rules of Engagement 2 (originally 1993 by Impressions)
- Shivers (Sep)
- Space Quest 6 - Roger Wilco in the Spinal Frontier (Mar)
- Thexder for Windows 95
- Torin’s Passage (Nov)
- Trophy Bass
- Ultimate Soccer Manager
- When Two Worlds War (originally 1993 by Impressions)
- Woodruff and the Schnibble (The Bizarre Adventures)
- May – Pixellite acquisition (Print Artist)
- June – Impressions acquisition (Caesar)

- July – Green Thumb acquisition (landscape software)
- September – Arion acquisition (Master Cook)
- October: Mike Brochur promoted to President and COO
- November – Papyrus acquisition (Nascar)
- Sublogic acquisition (Pro Pilot)

1996

- 3-D Ultra Pinball - Creep Night (Sep)
- AD&D Birthright - The Gorgon's Alliance
- Casino DeLuxe 2
- Civil War General - Robert E. Lee
- CyberGladiators (Nov)
- Eager to Learn (Oct)
- Earthsiege 2 (Mar)
- Eat My Dust (Nov)
- Flight (originally 1995 by subLOGIC)
- Front Page Sports - Baseball Pro '96 (Jun)
- Front Page Sports - Football Pro '97
- Front Page Sports - Trophy Bass 2 (Sep)
- Hoyle Blackjack (Jun)
- Hoyle Casino (Oct)
- Hoyle Solitaire (May)
- Hunter Hunted (Oct)
- LandDesigner 3D
- Leisure Suit Larry - Love for Sail (Nov)
- Lighthouse - The Dark Being (Jul)
- Lords of the Realm II (Oct)
- MasterCook - Cooking Light 4.0
- MasterCook - Deluxe 4.0
- Mission Force - CyberStorm (Jun)
- Multimedia Training for Microsoft Excel 95
- Multimedia Training for Microsoft Windows 95
- Multimedia Training for Microsoft Word 95
- NASCAR Racing - 1996 Season (Sep)
- NASCAR Racing 2
- Phantasmagoria - A Puzzle of Flesh (Nov)
- Playtoons - Cartoon Creation Kit: The Knights (Sep)
- Playtoons - Cartoon Creation Kit: The Monsters (Sep)

- Playtoons - Cartoon Creation Kit: The Wild West (Sep)
- Power Chess (Sep)
- Primortals (Leonard Nimoy)
- Print Artist 4.0
- RAMA
- Realm Online, The (Dec)
- Rise & Rule of Ancient Empires, The (Mar)
- Sierra Reference Encyclopedia
- Silent Thunder - A-10 Tank Killer II (Feb)
- Space Bucks
- Stationery Artist
- Stay Tooned! (Oct)
- Time Warp of Dr. Brain, The (Nov)
- Total Meltdown - Tools & Software Arsenal for Duke Nukem 3D
- Ultimate Soccer Manager 2
- Urban Runner
- CUC Acquires Sierra
- Ken shifts efforts to NetMarket
- Valve meeting in Bellevue, signed Half-Life
- Synergistic Software acquisition

1997

- 3-D Deck (originally 1995 by Books that Work)
- 3-D Landscape (originally 1996 by Books that Work)
- 3-D Ultra Minigolf
- 3-D Ultra Pinball - The Lost Continent
- Betrayal in Antara
- Civil War Generals 2 - Grant-Lee-Sherman (Oct)
- Collier's Encyclopedia 1998 (Aug)
- Complete Home 3D
- Custom Home 3D
- Driver's Education '98
- Front Page Sports - Baseball Pro '98
- Front Page Sports - Football Pro '98 (Nov)
- Front Page Sports - Golf (Apr)
- Front Page Sports - Golf: Black Diamond Ranch
- Front Page Sports - Golf: Couer d'Alene (Apr)
- Front Page Sports - Golf: Pasatiempo Golf Club

- Front Page Sports - Ski Racing
- Front Page Sports - Trophy Bass 2: Northern Lakes
- Front Page Sports - Trophy Rivers
- Garden Encyclopedia (originally 1996 by Books that Work)
- Hellfire - Diablo Expansion Pack
- Hoyle Casino 1998 (Nov)
- Hoyle Classic Board Games (Nov)
- Hoyle Classic Card Games (Remake) (Nov)
- Hoyle Poker (Mar)
- Lords of Magic (Nov)
- Lords of the Realm II - Siege Pack
- Mangia
- MasterCook - Graham Kerr's Swiftly Seasoned
- MasterCook - The Jenny Craig Cookbook
- MasterCook - Sheila Lukins: All Around the World
- NASCAR Racing - Grand National Series (Nov)
- Official Guide to Babylon 5, The
- Ortho Home Gardener's Problem Solver, The
- Outpost 2 - Divided Destiny
- Power Chess '98 (Nov)
- Print Artist Pro - Morph
- Pro Pilot '98
- Red Baron II (Oct)
- Shivers 2 - Harvest of Souls
- SODA Off-Road Racing (Dec)
- Software Companion for Palm Pilot
- You Don't Know Jack - Movies
- You Don't Know Jack - Sports (originally 1996 by Berkeley)
- You Don't Know Jack - TV
- You Don't Know Jack - Volume 3 (Aug)
- Bob and Jan Davidson resign from CUC
- Books that work acquisition
- Berkley software acquisition (You don't know Jack)
- Mike Brochu leaves CUC, Scott Lynch takes over several business units
- Ken leaves CUC

1998

- 3-D Ultra Minigolf Deluxe
- 3-D Ultra NASCAR Pinball
- After Dark - Classic (originally 1996 by Berkeley)
- After Dark - Deluxe (originally 1996 by Berkeley)
- After Dark - Games
- After Dark - Totally Twisted (originally 1995 by Berkeley)
- After Dark - Version 4.0 (originally 1996 by Berkeley)
- Caesar III (Sep)
- Complete LandDesigner 3D
- CyberStorm 2 - Corporate Wars (Jun)
- Driver's Education '99
- Fantasy Sports Pro
- Field & Stream - Trophy Buck
- Generations - Family Tree Software
- Grand Prix Legends
- Half-Life (Nov)
- Head Rush
- Hoyle Battling Ships & War (Feb)
- Hoyle Board Games 1999 (Sep)
- Hoyle Bridge & Euchre (Feb)
- Hoyle Card Games 1999 (Sep)
- Hoyle Casino 1999 (Oct)
- Hoyle Hearts & Spades (Feb)
- Hoyle Poker (Feb)
- iStyle - Fashion Trip
- Kitchen & Bath 3D
- Leisure Suit Larry's Casino
- Lords of Magic - Legends of Urak
- King's Quest - Mask of Eternity (Dec)
- MasterCook - Cooking Light Version 5.0
- MasterCook - Deluxe Version 5.0
- NASCAR Racing - 1999 Edition
- NFL Football Pro '99
- Police Quest - SWAT 2 (Jun)
- Print Artist - Cards Plus
- Print Artist - Craft Factory (aka: Print Artist Junior) (Sep)
- Pro Pilot USA
- Pro Pilot '99

- Quest for Glory V - Dragon Fire (Nov)
- Red Baron 3D (Oct)
- Return to Krondor (Nov)
- Sierra Home Architect
- Skiing - 1999 Edition
- Starsiege - Tribes (Dec)
- USA ’98 - Streets and Destinations
- Ultimate Soccer Manager 98
- Viper Racing
- Visual Home (originally 1996 by Books that Work)
- Web Studio
- You Don’t Know Jack (originally 1995 by Berkeley)
- You Don’t Know Jack - Volume 2 (originally 1996 by Berkeley)
- You Don’t Know Jack - Volume 4: The Ride

1999

- Gabriel Knight 3 - Blood of the Sacred, Blood of the Damned (Oct)
- Half-Life - Opposing Force (Nov)
- StarSiege (Mar)
- SWAT 3 - Close Quarters Battle (Nov)

Sierra Subsidiaries

Appendix C:

Sierra On-Line

- Original Name: On-Line Systems
- Founding Date: 1979
- Geographic Origin: Coarsegold, CA, USA
- Genre Specialization: Adventure
- Key Series: King's Quest, Space Quest, Leisure Suit Larry, Quest for Glory, Gabriel Knight, etc

Dynamix

- Founding Date: 1984
- Geographic Origin: Eugene, OR, USA
- Sierra Join Date: 1990-08
- Genre Specialization: Action, Shooter, Sports, and Casual
- Key Series: Aces, MetalTech, The Incredible Machine, 3D Ultra, Front Page Sports, etc

Bright Star Technology

- Founding Date: 1980
- Geographic Origin: Bellevue, WA, USA
- Sierra Join Date: 1992-07-08
- Genre Specialization: Edutainment
- Key Series: Talking Tutors, A.J.'s World of Discovery, and Power Chess

Coktel Vision

- Founding Date: 1984
- Geographic Origin: Paris, France
- Sierra Join Date: 1993-10-13
- Genre Specialization: Edutainment and Adventure
- Key Series: Adi, Gobliiins, Inca, and Playtoons

Pixellite Group

- Founding Date: 1983

- Geographic Origin: Richmond, CA, USA
- Sierra Join Date: 1995-05-31
- Genre Specialization: Productivity (Arts & Crafts)
- Key Series: Print Artist

Impressions Games

- Founding Date: 1989
- Geographic Origin: London, United Kingdom
- Sierra Join Date: 1995-06-20
- Genre Specialization: Strategy and Simulation
- Key Series: City Building Series, Lords of the Realm, and Civil War Generals

Software Sorcery

- Founding Date: 1990
- Geographic Origin: San Diego, CA, USA
- Sierra Join Date: 1995
- Genre Specialization: Naval Simulation
- Key Series: Crusader and Fast Attack

Green Thumb Software

- Founding Date: 1991
- Geographic Origin: Boulder, CO, USA
- Sierra Join Date: 1995-07
- Genre Specialization: Productivity (Landscaping)
- Key Series: Land Designer 3D

Arion Software

- Founding Date: 1992
- Geographic Origin: Austin, TX, USA
- Sierra Join Date: 1995-09-12
- Genre Specialization: Productivity (Cooking)
- Key Series: MasterCook

SubLogic

- Founding Date: 1977-10
- Geographic Origin: Champaign, IL, USA
- Sierra Join Date: 1995-11-09

- Genre Specialization: Flight Simulation
- Key Series: Pro Pilot and Flight

Papyrus Design Group

- Founding Date: 1987
- Geographic Origin: Watertown, MA, USA
- Sierra Join Date: 1995-11-30
- Genre Specialization: Racing Simulation
- Key Series: Indy Car Racing and NASCAR Racing

Synergistic Software

- Founding Date: 1979-06
- Geographic Origin: Seattle, WA, USA
- Sierra Join Date: 1996-Q1
- Genre Specialization: Role Playing Games
- Key Series: AD&D Birthright and Diablo Hellfire

Headgate Studios

- Founding Date: 1992
- Geographic Origin: Salt Lake City, UT, USA
- Sierra Join Date: 1996-04-12
- Genre Specialization: Golf Simulation
- Key Series: Golf Pro and PGA Championship Golf

Berkeley Systems

- Founding Date: 1987
- Geographic Origin: Berkeley, CA, USA
- Sierra Join Date: 1997-04
- Genre Specialization: Trivia and Screen Savers
- Key Series: You Don’t Know Jack and After Dark

Books that Work

- Founding Date: 1993
- Geographic Origin: Palo Alto, CA, USA
- Sierra Join Date: 1997-04
- Genre Specialization: Productivity (Home & Landscaping)
- Key Series: Visual Home, Custom Home 3D, and 3D Landscape

PyroTechnix

- Original Name: Computer Presentations
- Founding Date: 1996-02
- Geographic Origin: Cincinnati, OH, USA
- Sierra Join Date: 1997-12
- Genre Specialization: Role Playing Games
- Key Series: Return to Krondor

Sierra Firsts

Appendix D:

Sierra's marketing department once asked me whether I could put together a quick list of "firsts" for Sierra. I remember thinking it was a fun idea and jotted some things down quickly. I sent the list below back to the marketing team. I don't think they ever did anything with it, but as I look at it now my first reaction is: "WOW!" And, my second reaction is, "Darn. I forgot a lot of stuff. This list could have been a lot longer!"

- The first online games network (TSN).
- The first adventure game with graphics (*Mystery House*).
- The first game to play from a CD-ROM (*Mother Goose*).
- The first color packaging (*Wizard and Princess*).
- The first adventure game with color (*Wizard and the Princess*)
- The first use of dithering in a game to imply more colors than the computer supported (*Wizard and Princess*).
- The first product to support a music card (*King's Quest IV*).
- The first animated adventure game (*King's Quest*).
- The first 'movie' game (*Phantasmagoria*).
- The first online casino (*LarryLand*).
- The first game computer game company to receive venture capital
  (Note: Both Electronics Arts and Sierra were funded in 1982. I'm not sure who went first)
- The first graphic word processor (*Homeword*).
- The first personal finance program (*Smart Money*).
- The first Basic compiler (*Expeditor*).
- The first graphics paint program (*Paddle draw*).
- The first game on the PCjr (*King's Quest*).
- The first game on the IBM PC (*Wizard and Princess*).
- The first flight sim with modem play (*3D Helicopter Simulator*).
- The first professional music in a game (Supertramp, Jan Hammer, William Goldstein).
- The first academy award winning composer (Michelle LeGrand).
- The first arcade game officially licensed for home computers (*Frogger*).

- The first ‘look and feel lawsuit’ (Atari vs Sierra Pacman/Gobbler/ Jawbreaker)
- The first packaging to feature a hot tub (appeared in Time Magazine/ *Softporn*).

Appendix E: Acknowledgments

> ***The most wonderful thing I hear is people coming up and saying 'Thank you for my childhood', which still blows my mind but is very sweet.***
>
> **Daniel Radcliffe, Actor who played Harry Potter**

There are hundreds of people who should have been mentioned in this book and weren't. In some cases it is because I goofed and they should have been here, but in many cases it was simply because I couldn't think of an interesting story to tell. I always fought against our designers putting anything into a game that I considered "inside humor," or something that would only be of interest to Sierra employees. I tried to apply that same standard to this book.

At risk of offending any of the people whose names I forgot to put here, I'll go ahead and mention a few people who would have had whole chapters in this book, if I could have fit them in:

The Designers: Roberta Williams, Jim Walls, Lori Cole, Corey Cole, Mark Crowe, Scott Murphy, Jane Jenson, Lorelei Shannon, Al Lowe, Jeff Tunnell, Damon Slye, David Lester, Christy Marx, Barry and Dave Murray, Marcia Bales, Elon Gasper,Josh Mandel

Management: Mike Brochu, Bill Davis, Bill Moore, Dennis Cloutier, Bob Schneider, Rick Cavin, Bob Wharton, Jerry Bowerman, Tony Reyneke, Roland Oskian, Randy Dersham, Tony Reyneke, Mark Hood

Engineers: Jeff Stephenson, Bob Heitman, Damon Slye, Steve Nichols, Matt George, Chris Iden, Warren Schwader, Jay Sullivan, Oliver Brelsford, Rob Kenny, Jerry Shaw, Steven Hill, Larry Scott, Steve Conrad, Carlos Escobar

Artists: John Shroades, William D, Skirvin, Michael Hutchinson, Andy Hoyos, Marc Hudgins, Douglas Herring, Chris Beatrice, Shawn Sharp

Musicians: Mark Seibert, Ken Allen, Dan Kehler, Neal Grandstaff, Chris Braymen , Timothy Clarke, Christopher Stevens

I'd like to thank Ry Nicotera who helped with researching the book.

I'd like to thank Stephen Emond who developed the timeline and list of subsidiaries.

Thank you to Enrico Ricciardi, and his graphic artist Giuseppe De Gasperini, who assisted with the book cover as well as providing pictures of some of our older products.

And, a special thanks to my personal assistant Kristy Welton, who kept me sane and organized for over a decade.

And, to Greg Riker, Richard Aronson, and Al Lowe, without whose editing skills you would be reading this book with virtually unreadable sentences, misspelled words, and random punctuation.

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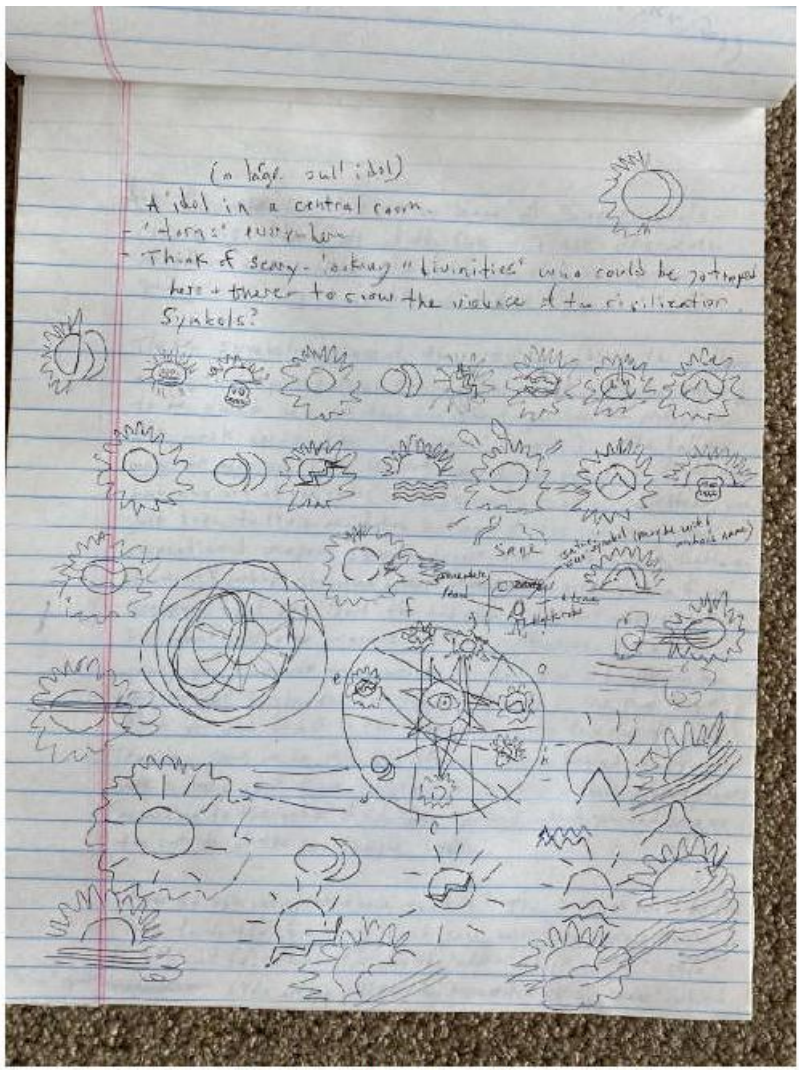
Pages from the Kings Quest 8 Design

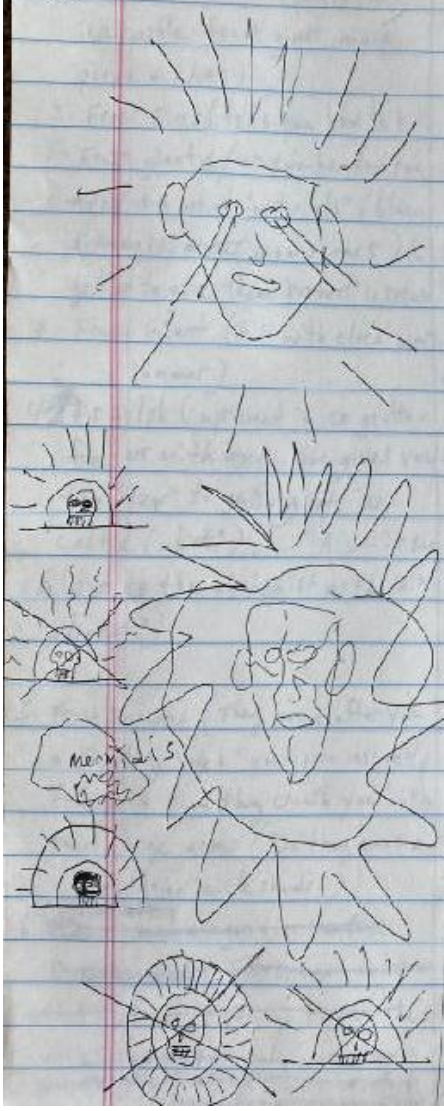
Appendix G:


(a large skull idol)
A idol in a central room
- 'doors' every-where
- Think of scary-looking "divinities" who could be scattered here + there to show the violence of the civilization
Symbols?
sage

This is unrelated to the book, but I stumbled onto a full notepad of Roberta's scribblings from when she was designing Kings Quest 8. Most of her design notes were given to the Strong museum in Rochester New York, but this notepad was hiding. I enjoyed seeing her efforts to design what ultimately became the Mask of Eternity.

The Ocean + Underwater City

Characters



Places + objects

may change this

5. Island 4. (Two beaches - a small one + a long one. Small one in cove containing giant octopus creature - steep cliffs. Good trail from long beach leading to "viewpoint" looking down at small beach - but can't get there from there. Very small beach at back of island has smaller, difficult trail to small beach. Once there find small treasure chest ~~[pearls, trinkets]~~

6. Island 5. Hermit lives on this island. Land at beach + take trail to his cave up on highest hill. He is blind + won't help you unless...

649. Cliffs

7. Island 6. This is the "main" island where the "Underwater City" is located. The leviathan surrounds it + you need to kill it in order to approach it. Once there go through "colliding rocks" to enter lagoon. The ruins of the "underwater city" is located in the lagoon. In the underwater "cliffs" of this island you can find a small passage which

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